

- Sec.  
 1635e. Mandatory reporting for live cattle.  
 1635f. Mandatory packer reporting of boxed beef sales.

## PART C—SWINE REPORTING

- 1635i. Definitions.  
 1635j. Mandatory reporting for swine.  
 1635k. Mandatory reporting of wholesale pork cuts.

## PART D—LAMB REPORTING

- 1635m. Mandatory reporting for lambs.

## PART E—ADMINISTRATION

1636. General provisions.  
 1636a. Unlawful acts.  
 1636b. Enforcement.  
 1636c. Fees.  
 1636d. Recordkeeping.  
 1636e. Voluntary reporting.  
 1636f. Publication of information on retail purchase prices for representative meat products.  
 1636g. Suspension authority regarding specific terms of price reporting requirements.  
 1636h. Federal preemption.

## SUBCHAPTER III—DAIRY PRODUCT MANDATORY REPORTING

1637. Purpose.  
 1637a. Definitions.  
 1637b. Mandatory reporting for dairy products.

## SUBCHAPTER IV—COUNTRY OF ORIGIN LABELING

1638. Definitions.  
 1638a. Notice of country of origin.  
 1638b. Enforcement.  
 1638c. Regulations.  
 1638d. Applicability.

## SUBCHAPTER I—GENERAL PROVISIONS

**§ 1621. Congressional declaration of purpose; use of existing facilities; cooperation with States**

The Congress declares that a sound, efficient, and privately operated system for distributing and marketing agricultural products is essential to a prosperous agriculture and is indispensable to the maintenance of full employment and to the welfare, prosperity, and health of the Nation. It is further declared to be the policy of Congress to promote through research, study, experimentation, and through cooperation among Federal and State agencies, farm organizations, and private industry a scientific approach to the problems of marketing, transportation, and distribution of agricultural products similar to the scientific methods which have been utilized so successfully during the past eighty-four years in connection with the production of agricultural products so that such products capable of being produced in abundance may be marketed in an orderly manner and efficiently distributed. In order to attain these objectives, it is the intent of Congress to provide for (1) continuous research to improve the marketing, handling, storage, processing, transportation, and distribution of agricultural products; (2) cooperation among Federal and State agencies, producers, industry organizations, and others in the development and effectuation of research and marketing programs to improve the distribution processes; (3) an integrated administration of all laws enacted by Congress to aid the distribution of agricultural products

through research, market aids and services, and regulatory activities, to the end that marketing methods and facilities may be improved, that distribution costs may be reduced and the price spread between the producer and consumer may be narrowed, that dietary and nutritional standards may be improved, that new and wider markets for American agricultural products may be developed, both in the United States and in other countries, with a view to making it possible for the full production of American farms to be disposed of usefully, economically, profitably, and in an orderly manner. In effectuating the purposes of this chapter, maximum use shall be made of existing research facilities owned or controlled by the Federal Government or by State agricultural experiment stations and of the facilities of the Federal and State extension services. To the maximum extent practicable marketing research work done under this chapter in cooperation with the States shall be done in cooperation with the State agricultural experiment stations; marketing educational and demonstrational work done under this chapter in cooperation with the States shall be done in cooperation with the State agricultural extension service; market information, inspection, regulatory work and other marketing service done under this chapter in cooperation with the State agencies shall be done in cooperation with the State departments of agriculture, and State bureaus and departments of markets.

(Aug. 14, 1946, ch. 966, title II, §202, 60 Stat. 1087.)

## REFERENCES IN TEXT

Under this chapter, referred to in text, was in the original “hereunder”, and was translated as meaning under title II of act Aug. 14, 1946, which is classified generally to this chapter.

## SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-239, §1, Sept. 27, 2010, 124 Stat. 2501, provided that: “This Act [enacting section 1635k of this title, amending sections 1636i, 1637b, and 5712 of this title, enacting provisions set out as notes under sections 1635k and 1637b of this title, and amending provisions set out as a note under section 1635 of this title] may be cited as the ‘Mandatory Price Reporting Act of 2010’.”

## SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106-532, §1, Nov. 22, 2000, 114 Stat. 2541, provided that: “This Act [enacting subchapter III of this chapter] may be cited as the ‘Dairy Market Enhancement Act of 2000’.”

## SHORT TITLE

Act Aug. 14, 1946, ch. 966, title II, §201, 60 Stat. 1087, provided that: “This title [enacting this chapter] may be cited as the ‘Agricultural Marketing Act of 1946’.”

## TRANSFER OF FUNCTIONS

Functions of all officers, agencies, and employees of Department of Agriculture transferred, with certain exceptions, to Secretary of Agriculture by 1953 Reorg. Plan No. 2, §1, eff. June 4, 1953, 18 F.R. 3219, 67 Stat. 633, set out as a note under section 2201 of this title.

## SPECIALTY CROPS COMPETITIVENESS

Pub. L. 108-465, §§2, 3, title I, §101, Dec. 21, 2004, 118 Stat. 3882, 3883, as amended by Pub. L. 110-234, title X, §10109, May 22, 2008, 122 Stat. 1338; Pub. L. 110-246, §4(a), title X, §10109, June 18, 2008, 122 Stat. 1664, 2100; Pub. L. 113-79, title X, §10010, Feb. 7, 2014, 128 Stat. 949, provided that:

“SEC. 2. FINDINGS AND PURPOSE.

“(a) FINDINGS.—Congress finds the following:

“(1) A secure domestic food supply is a national security imperative for the United States.

“(2) A competitive specialty crop industry in the United States is necessary for the production of an abundant, affordable supply of highly nutritious fruits, vegetables, and other specialty crops, which are vital to the health and well-being of all Americans.

“(3) Increased consumption of specialty crops will provide tremendous health and economic benefits to both consumers and specialty crop growers.

“(4) Specialty crop growers believe that there are numerous areas of Federal agriculture policy that could be improved to promote increased consumption of specialty crops and increase the competitiveness of producers in the efficient production of affordable specialty crops in the United States.

“(5) As the globalization of markets continues, it is becoming increasingly difficult for United States producers to compete against heavily subsidized foreign producers in both the domestic and foreign markets.

“(6) United States specialty crop producers also continue to face serious tariff and non-tariff trade barriers in many export markets.

“(b) PURPOSE.—It is the purpose of this Act [see Short Title of 2004 Amendment note set out under section 3101 of this title] to make necessary changes in Federal agriculture policy to accomplish the goals of increasing fruit, vegetable, and nut consumption and improving the competitiveness of United States specialty crop producers.

“SEC. 3. DEFINITIONS.

“In this Act:

“(1) The term ‘specialty crop’ means fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops (including floriculture).

“(2) The term ‘State’ means the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

“(3) The term ‘State department of agriculture’ means the agency, commission, or department of a State government responsible for agriculture within the State.

“TITLE I—STATE ASSISTANCE FOR SPECIALTY CROPS

“SEC. 101. SPECIALTY CROP BLOCK GRANTS.

“(a) AVAILABILITY AND PURPOSE OF GRANTS.—Using the funds made available under subsection (l), the Secretary of Agriculture shall make grants to States for each of the fiscal years 2005 through 2018 to be used by State departments of agriculture solely to enhance the competitiveness of specialty crops.

“(b) GRANTS BASED ON VALUE AND ACREAGE.—Subject to subsection (c), for each State whose application for a grant for a fiscal year that [sic] is accepted by the Secretary under subsection (f), the amount of the grant for that fiscal year to the State under this section shall bear the same ratio to the total amount made available under subsection (l)(1) for that fiscal year as—

“(1) the average of the most recent available value of specialty crop production in the State and the acreage of specialty crop production in the State, as demonstrated in the most recent Census of Agriculture data; bears to

“(2) the average of the most recent available value of specialty crop production in all States and the acreage of specialty crop production in all States, as demonstrated in the most recent Census of Agriculture data.

“(c) MINIMUM GRANT AMOUNT.—Notwithstanding subsection (b), each State shall receive a grant under this section for each fiscal year in an amount that is at least equal to the higher of—

“(1) \$100,000; or

“(2)  $\frac{1}{3}$  of 1 percent of the total amount of funding made available to carry out this section for the fiscal year.

“(d) ELIGIBILITY.—To be eligible to receive a grant under this section, a State department of agriculture shall prepare and submit, for approval by the Secretary of Agriculture, an application at such time, in such a manner, and containing such information as the Secretary shall require by regulation, including—

“(1) a State plan that meets the requirements of subsection (e);

“(2) an assurance that the State will comply with the requirements of the plan; and

“(3) an assurance that grant funds received under this section shall supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds.

“(e) PLAN REQUIREMENTS.—The State plan shall identify the lead agency charged with the responsibility of carrying out the plan and indicate how the grant funds will be utilized to enhance the competitiveness of specialty crops.

“(f) REVIEW OF APPLICATION.—In reviewing the application of a State submitted under subsection (d), the Secretary of Agriculture shall ensure that the State plan would carry out the purpose of grant program, as specified in subsection (a). The Secretary may accept or reject applications for a grant under this section.

“(g) EFFECT OF NONCOMPLIANCE.—If the Secretary of Agriculture, after reasonable notice to a State, finds that there has been a failure by the State to comply substantially with any provision or requirement of the State plan, the Secretary may disqualify, for one or more years, the State from receipt of future grants under this section.

“(h) AUDIT REQUIREMENTS.—For each year that a State receives a grant under this section, the State shall conduct an audit of the expenditures of grant funds by the State. Not later than 30 days after the completion of the audit, the State shall submit a copy of the audit to the Secretary of Agriculture.

“(i) REALLOCATION.—

“(1) IN GENERAL.—The Secretary shall reallocate to other States in accordance with paragraph (2) any amounts made available for a fiscal year under this section that are not obligated or expended by a date during that fiscal year determined by the Secretary.

“(2) PRO RATA ALLOCATION.—The Secretary shall allocate funds described in paragraph (1) pro rata to the remaining States that applied during the specified grant application period.

“(3) USE OF REALLOCATED FUNDS.—Funds allocated to a State under this subsection shall be used by the State only to carry out projects that were previously approved in the State plan of the State.

“(j) MULTISTATE PROJECTS.—Not later than 180 days after the effective date of the Agricultural Act of 2014 [Feb. 7, 2014], the Secretary of Agriculture shall issue guidance for the purpose of making grants to multi-state projects under this section for projects involving—

“(1) food safety;

“(2) plant pests and disease;

“(3) research;

“(4) crop-specific projects addressing common issues; and

“(5) any other area that furthers the purposes of this section, as determined by the Secretary.

“(k) ADMINISTRATION.—

“(1) DEPARTMENT.—The Secretary of Agriculture may not use more than 3 percent of the funds made available to carry out this section for a fiscal year for administrative expenses.

“(2) STATES.—A State receiving a grant under this section may not use more than 8 percent of the funds received under the grant for a fiscal year for administrative expenses.

“(l) FUNDING.—

“(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make grants under this section, using—

“(A) \$10,000,000 for fiscal year 2008;

“(B) \$49,000,000 for fiscal year 2009;

“(C) \$55,000,000 for each of fiscal years 2010 through 2012;

“(D) \$72,500,000 for each of fiscal years 2014 through 2017; and

“(E) \$85,000,000 for fiscal year 2018 and each fiscal year thereafter.

“(2) MULTISTATE PROJECTS.—Of the funds made available under paragraph (1), the Secretary may use to carry out subsection (j), to remain available until expended—

“(A) \$1,000,000 for fiscal year 2014;

“(B) \$2,000,000 for fiscal year 2015;

“(C) \$3,000,000 for fiscal year 2016;

“(D) \$4,000,000 for fiscal year 2017; and

“(E) \$5,000,000 for fiscal year 2018.”

#### NATIONAL COMMISSION ON FOOD MARKETING

Pub. L. 88-354, July 3, 1964, 78 Stat. 269, as amended by Pub. L. 89-20, May 15, 1965, 79 Stat. 111, provided for the establishment of a bipartisan National Commission on Food Marketing composed of fifteen members, five from the Senate, five from the House of Representatives and five from outside the Federal Government, to study and appraise the marketing structure of the food industry and to make a final report of its findings and conclusions to the President and to the Congress by July 1, 1966. The Commission ceased to exist ninety days after submission of its final report.

### § 1622. Duties of Secretary relating to agricultural products

The Secretary of Agriculture is directed and authorized:

#### (a) Determination of methods of processing, packaging, marketing, etc.; publication of results

To conduct, assist, and foster research, investigation, and experimentation to determine the best methods of processing, preparation for market, packaging, handling, transporting, storing, distributing, and marketing agricultural products: *Provided*, That the results of such research shall be made available to the public for the purpose of expanding the use of American agricultural products in such manner as the Secretary of Agriculture may determine.

#### (b) Determination of costs

To determine costs of marketing agricultural products in their various forms and through the various channels and to foster and assist in the development and establishment of more efficient marketing methods (including analyses of methods and proposed methods), practices, and facilities, for the purpose of bringing about more efficient and orderly marketing, and reducing the price spread between the producer and the consumer.

#### (c) Improvement of standards of quality, condition, etc.; standard of quality for ice cream

To develop and improve standards of quality, condition, quantity, grade, and packaging, and recommend and demonstrate such standards in order to encourage uniformity and consistency in commercial practices. Within thirty days after September 29, 1977, the Secretary shall by regulation adopt a standard of quality for ice cream which shall provide that ice cream shall contain at least 1.6 pounds of total solids to the gallon, weigh not less than 4.5 pounds to the gallon and contain not less than 20 percent total

milk solids, constituted of not less than 10 percent milkfat. In no case shall the content of milk solids not fat be less than 6 percent. They shall not, by weight, be more than 25 percent of the milk solids not fat. Only those products which meet the standard issued by the Secretary may bear a symbol thereon indicating that they meet the Department of Agriculture standard for “ice cream”.

#### (d) Elimination of artificial barriers to free movement

To conduct, assist, foster, and direct studies and informational programs designed to eliminate artificial barriers to the free movement of agricultural products.

#### (e) Development of new markets

##### (1) In general

To foster and assist in the development of new or expanded markets (domestic and foreign) and new and expanded uses and in the moving of larger quantities of agricultural products through the private marketing system to consumers in the United States and abroad.

##### (2) Fees and penalties

##### (A) In general

In carrying out paragraph (1), the Secretary may assess and collect reasonable fees and late payment penalties to mediate and arbitrate disputes arising between parties in connection with transactions involving agricultural products moving in foreign commerce under the jurisdiction of a multinational entity.

##### (B) Deposit

Fees and penalties collected under subparagraph (A) shall be deposited into the account that incurred the cost of providing the mediation or arbitration service.

##### (C) Availability

Fees and penalties collected under subparagraph (A) shall be available to the Secretary without further Act of appropriation and shall remain available until expended to pay the expenses of the Secretary for providing mediation and arbitration services under this paragraph.

##### (D) No requirement for use of services

No person shall be required by the Secretary to use the mediation and arbitration services provided under this paragraph.

#### (f) Increasing consumer education

To conduct and cooperate in consumer education for the more effective utilization and greater consumption of agricultural products: *Provided*, That no money appropriated under the authority of this Act shall be used to pay for newspaper or periodical advertising space or radio time in carrying out the purposes of this section and subsection (e).

#### (g) Collection and dissemination of marketing information

To collect and disseminate marketing information, including adequate outlook information on a market-area basis, for the purpose of an-

icipating and meeting consumer requirements, aiding in the maintenance of farm income, and bringing about a balance between production and utilization of agricultural products.

**(h) Inspection and certification of products in interstate commerce; credit and future availability of funds; investment; certificates as evidence; penalties**

(1) To inspect, certify, and identify the class, quality, quantity, and condition of agricultural products when shipped or received in interstate commerce, under such rules and regulations as the Secretary of Agriculture may prescribe, including assessment and collection of such fees as will be reasonable and as nearly as may be to cover the cost of the service rendered, to the end that agricultural products may be marketed to the best advantage, that trading may be facilitated, and that consumers may be able to obtain the quality product which they desire, except that no person shall be required to use the service authorized by this subsection.

(2)(A) Any fees collected under this subsection, late payment penalties, the proceeds from the sales of samples, and interest earned from the investment of such funds shall be credited to the trust fund account that incurs the cost of the services provided under this subsection and shall remain available without fiscal year limitation to pay the expenses of the Secretary incident to providing such services.

(B) Such funds may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments.

(3) Any official certificate issued under the authority of this subsection shall be received by all officers and all courts of the United States as prima facie evidence of the truth of the statements therein contained.

(4) Whoever knowingly shall falsely make, issue, alter, forge, or counterfeit any official certificate, memorandum, mark, or other identification, or device for making such mark or identification, with respect to inspection, class, grade, quality, size, quantity, or condition, issued or authorized under this section or knowingly cause or procure, or aid, assist in, or be a party to, such false making, issuing, altering, forging, or counterfeiting, or whoever knowingly shall possess, without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true, or cause to be uttered, published, or used as true, any such falsely made, altered, forged, or counterfeited official certificate, memorandum, mark, identification, or device, or whoever knowingly represents that an agricultural product has been officially inspected or graded (by an authorized inspector or grader) under the authority of this section when such commodity has in fact not been so graded or inspected shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

(5) Shell eggs packed under the voluntary grading program of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.

**(6) IDENTIFICATION OF HONEY.—**

(A) IN GENERAL.—The use of a label or advertising material on, or in conjunction with, packaged honey that bears any official certificate of quality, grade mark or statement, continuous inspection mark or statement, sampling mark or statement, or any combination of the certificates, marks, or statements of the Department of Agriculture is hereby prohibited under this Act unless there appears legibly and permanently in close proximity (such as on the same side(s) or surface(s)) to the certificate, mark, or statement, and in at least a comparable size, the 1 or more names of the 1 or more countries of origin of the lot or container of honey, preceded by the words “Product of” or other words of similar meaning.

(B) VIOLATION.—A violation of the requirements of subparagraph (A) may be deemed by the Secretary to be sufficient cause for debarment from the benefits of this Act only with respect to honey.

**(i) Development of facilities for assembling, processing, transporting, etc.**

To determine the needs and develop or assist in the development of plans for efficient facilities and methods of operating such facilities for the proper assembly, processing, transportation, storage, distribution, and handling of agricultural products.

**(j) Improvement of transportation facilities and rates**

To assist in improving transportation services and facilities and in obtaining equitable and reasonable transportation rates and services and adequate transportation facilities for agricultural products and farm supplies by making complaint or petition to the Surface Transportation Board, the Federal Maritime Commission, or other Federal or State transportation regulatory body, or the Secretary of Transportation, with respect to rates, charges, tariffs, practices, and services, or by working directly with individual carriers or groups of carriers.

**(k) Collection and dissemination of marketing statistics**

To collect, tabulate, and disseminate statistics on marketing agricultural products, including, but not restricted to statistics on market supplies, storage stocks, quantity, quality, and condition of such products in various positions in the marketing channel, utilization of such products, and shipments and unloads thereof.

**(l) Development of procurement standards and specifications**

To develop and promulgate, for the use and at the request of any Federal agency or State, procurement standards and specifications for agricultural products, and submit such standards and specifications to such agency or State for use or adoption for procurement purposes.

**(m) Promotion of research for handling, storing, preserving, etc.**

To conduct, assist, encourage, and promote research, investigation, and experimentation to determine the most efficient and practical means, methods, and processes for the handling,

storing, preserving, protecting, processing, and distributing of agricultural commodities to the end that such commodities may be marketed in an orderly manner and to the best interest of the producers thereof.

**(n) Grading program**

To establish within the Department of Agriculture a voluntary fee based grading program for—

- (1) all fish of the order Siluriformes; and
- (2) any additional species of farm-raised fish or farm-raised shellfish—
  - (A) for which the Secretary receives a petition requesting such voluntary fee based grading; and
  - (B) that the Secretary considers appropriate.

**(o) General research, services, and activities**

To conduct such other research and services and to perform such other activities as will facilitate the marketing, distribution, processing, and utilization of agricultural products through commercial channels.

(Aug. 14, 1946, ch. 966, title II, §203, 60 Stat. 1087; Aug. 9, 1955, ch. 632, §1, 69 Stat. 553; Pub. L. 95–113, title II, §206, Sept. 29, 1977, 91 Stat. 920; Pub. L. 97–31, §12(2), Aug. 6, 1981, 95 Stat. 153; Pub. L. 98–403, §2, Aug. 28, 1984, 98 Stat. 1480; Pub. L. 98–443, §9(j), Oct. 4, 1984, 98 Stat. 1708; Pub. L. 105–277, div. A, §101(a) [title VII, §755(a)], Oct. 21, 1998, 112 Stat. 2681, 2681–34; Pub. L. 106–472, title III, §303, Nov. 9, 2000, 114 Stat. 2069; Pub. L. 110–234, title X, §10402(a), title XI, §11016(a), May 22, 2008, 122 Stat. 1349, 1368; Pub. L. 110–246, §4(a), title X, §10402(a), title XI, §11016(a), June 18, 2008, 122 Stat. 1664, 2110, 2130; Pub. L. 113–79, title VI, §6202, title XII, §12106(a)(4), Feb. 7, 2014, 128 Stat. 856, 981.)

REFERENCES IN TEXT

This Act, referred to in subsecs. (f) and (h)(6), is act Aug. 14, 1946, ch. 966, 60 Stat. 1082, which enacted this chapter and sections 427h to 427j of this title and amended section 427 of this title. For complete classification of this Act to the Code, see Tables.

CODIFICATION

Pub. L. 110–234 and Pub. L. 110–246 made identical amendments to this section. The amendments by Pub. L. 110–234 were repealed by section 4(a) of Pub. L. 110–246.

AMENDMENTS

2014—Subsec. (j). Pub. L. 113–79, §6202, substituted “the Surface Transportation Board, the Federal Maritime Commission,” for “the Interstate Commerce Commission, the Maritime Commission,”.

Subsec. (n)(1). Pub. L. 113–79, §12106(a)(4), added par. (1) and struck out former par. (1) which read as follows: “catfish (as defined by the Secretary under paragraph (2) of section 601(w) of title 21); and”.

2008—Subsec. (h). Pub. L. 110–246, §10402(a), designated the first to sixth sentences of existing provisions as pars. (1), (2)(A), (2)(B), and (3) to (5), respectively, and added par. (6).

Subsecs. (n), (o). Pub. L. 110–246, §11016(a), added subsec. (n) and redesignated former subsec. (n) as (o).

2000—Subsec. (e). Pub. L. 106–472 inserted subsec. heading, designated existing provisions as par. (1), inserted par. heading, and added par. (2).

1998—Subsec. (h). Pub. L. 105–277 inserted at end “Shell eggs packed under the voluntary grading pro-

gram of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.”

1984—Subsec. (h). Pub. L. 98–403 inserted provisions relating to the credit of certain funds to the trust fund account which incurs the cost of services provided under this subsection, the future availability of those funds, and investment thereof by the Secretary of Agriculture or the Secretary of the Treasury.

Subsec. (j). Pub. L. 98–443 struck out “the Civil Aeronautics Board” after “the Maritime Commission,”.

1981—Subsec. (j). Pub. L. 97–31 inserted reference to Secretary of Transportation.

1977—Subsec. (c). Pub. L. 95–113 inserted provisions relating to the setting of a standard of quality for ice cream.

1955—Subsec. (h). Act Aug. 9, 1955, inserted sentence to provide penalties for forgery or alteration of inspection certificates, unauthorized use of official grade marks or designations, and false or deceptive reference to United States grade standards or services.

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by section 12106(a)(4) of Pub. L. 113–79 effective as if enacted as part of section 11016(b) of Pub. L. 110–246, see section 12106(c) of Pub. L. 113–79, set out as a note under section 601 of Title 21, Food and Drugs.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110–234 by Pub. L. 110–246 effective May 22, 2008, the date of enactment of Pub. L. 110–234, except as otherwise provided, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

Pub. L. 110–234, title X, §10402(b), May 22, 2008, 122 Stat. 1349, and Pub. L. 110–246, §4(a), title X, §10402(b), June 18, 2008, 122 Stat. 1664, 2111, provided that: “The amendments made by subsection (a) [amending this section] take effect on the date that is 1 year after the date of enactment of this Act [June 18, 2008].”

[Pub. L. 110–234 and Pub. L. 110–246 enacted identical provisions. Pub. L. 110–234 was repealed by section 4(a) of Pub. L. 110–246, set out as a note under section 8701 of this title.]

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–443 effective Jan. 1, 1985, see section 9(v) of Pub. L. 98–443, set out as a note under section 5314 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

TRANSFER OF FUNCTIONS

Interstate Commerce Commission abolished and functions of Commission transferred, except as otherwise provided in Pub. L. 104–88, to Surface Transportation Board effective Jan. 1, 1996, by section 1302 of Title 49, Transportation, and section 101 of Pub. L. 104–88, set out as a note under section 1301 of Title 49. References to Interstate Commerce Commission deemed to refer to Surface Transportation Board, a member or employee of the Board, or Secretary of Transportation, as appropriate, see section 205 of Pub. L. 104–88, set out as a note under section 1301 of Title 49.

Section 304 of 1961 Reorg. Plan No. 7, eff. Aug. 12, 1961, 26 F.R. 7315, 75 Stat. 840, set out in the Appendix to Title 5, Government Organization and Employees, abolished Federal Maritime Board, including offices of members of Board. Functions of Board transferred either to Federal Maritime Commission or to Secretary of Commerce by sections 103 and 202 of 1961 Reorg. Plan No. 7.

United States Maritime Commission abolished by 1950 Reorg. Plan No. 21, eff. May 24, 1950, 15 F.R. 3178,

64 Stat. 1273, set out in the Appendix of Title 5, Government Organization and Employees, which transferred part of its functions and part of functions of its Chairman to Federal Maritime Board and Chairman thereof, such Board having created by that Plan as an agency within Department of Commerce with an independent status in some respects, and transferred remainder of such Commission's functions and functions of its Chairman to Secretary of Commerce, with power vested in Secretary to authorize their performance by Maritime Administrator, head of Maritime Administration, which likewise was established by Plan in Department of Commerce with provision that chairman of said Federal Maritime Board should, ex officio, be such Administrator.

Executive and administrative functions of Maritime Commission transferred to Chairman of Maritime Commission by 1949 Reorg. Plan No. 6, eff. Aug. 20, 1949, 14 F.R. 5228, 63 Stat. 1069, set out in the Appendix to Title 5.

#### AGRICULTURAL PROCESSING EQUIPMENT; INSPECTION AND CERTIFICATION; FEE

Pub. L. 106-387, §1(a) [title VII, §729], Oct. 28, 2000, 114 Stat. 1549, 1549A-33, provided that: "Hereafter, none of the funds appropriated by this Act or any other Act may be used to:

- "(1) carry out the proviso under 7 U.S.C. 1622(f); or
- "(2) carry out 7 U.S.C. 1622(h) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: *Provided*, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.)."

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 106-78, title VII, §734, Oct. 22, 1999, 113 Stat. 1165.

Pub. L. 105-277, div. A, §101(a) [title VII, §747], Oct. 21, 1998, 112 Stat. 2681, 2681-32, as amended by Pub. L. 106-31, title V, §5001(c), May 21, 1999, 113 Stat. 109.

#### COLLECTION AND DISSEMINATION OF INFORMATION ON PRICES RECEIVED FOR BULK CHEESE

Pub. L. 105-18, title II, §1001, June 12, 1997, 111 Stat. 172, provided that not later than 30 days after June 12, 1997, Secretary of Agriculture was to collect and disseminate, on weekly basis, statistically reliable information, obtained from cheese manufacturing areas in United States, on prices received and terms of trade involving bulk cheese, including information on national average price for bulk cheese sold through spot and forward contract transactions, and further provided for confidentiality of information provided to, or acquired by, Secretary, report to Congress not later than 150 days after June 12, 1997, on rate of reporting compliance by cheese manufacturers with respect to information collected, and for termination of authority to collect information on Apr. 5, 1999.

#### LAMB PRICE AND SUPPLY REPORTING SERVICES REPORT AND SYSTEM

Pub. L. 102-237, title I, §124, Dec. 13, 1991, 105 Stat. 1844, provided that:

"(a) REPORT.—Not later than 90 days after the date of enactment of this Act [Dec. 13, 1991], the Secretary of Agriculture shall submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on measures that are necessary to improve the lamb price and supply reporting services of the Department of Agriculture, including recommendations to establish a complete information gathering system

that reflects the market structure of the national lamb industry. In preparing the report, the Secretary shall examine measures to improve information on—

"(1) price reporting series of wholesale, retail, box, carcass, pelt, offal, and live lamb sales in the United States, including markets in—

"(A) California (including San Francisco);

"(B) the East Coast region (including Washington, D.C.);

"(C) the Midwest region (including Chicago, Illinois);

"(D) Texas;

"(E) the Rocky Mountain region; and

"(F) Florida;

"(2) sheep and lamb inventories, including on-feed reports;

"(3) the price and supply relationships between retailers and breakers;

"(4) the viability of voluntary or mandatory reporting for sheep prices; and

"(5) information on the import and export of sheep, analyzed by cut, carcass, box, breeder stock, and sex.

"(b) PRICE DISCOVERY AND REPORTING SYSTEM.—

"(1) SYSTEM REQUIRED.—Based on the report required under subsection (a), the Secretary shall—

"(A) develop a price discovery system formula for the lamb market, such as carcass equivalent pricing; and

"(B) establish a price discovery and reporting system for the lamb market to assist lamb producers to better allocate their resources and make informed production and marketing decisions.

"(2) IMPLEMENTATION.—The price discovery and reporting system for the lamb market shall be implemented by the Secretary not later than 180 days after the date of the submission of the report.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to develop and establish the system required under this subsection.

"(c) CONSULTATION.—In preparing the report required under subsection (a) and establishing the price discovery and reporting system required under subsection (b), the Secretary shall consult with lamb producers and other persons in the national lamb industry."

#### RESEARCH TO INVESTIGATE EXTENT TO WHICH GRADE STANDARDS GOVERNING COSMETIC APPEARANCE AFFECT PESTICIDE USE IN PRODUCTION OF PERISHABLE COMMODITIES; ADVISORY COMMITTEE; REPORT

Pub. L. 101-624, title XIII, subtitle C, Nov. 28, 1990, 104 Stat. 3566, as amended by Pub. L. 102-237, title I, §114(a)(3), Dec. 13, 1991, 105 Stat. 1838, provided that:

#### "SEC. 1351. DEFINITION.

"As used in this subtitle, the term 'cosmetic appearance' means the exterior appearance of an agricultural commodity, including changes to that appearance resulting from superficial damage or other alteration that do not significantly affect yield, taste, or nutritional value.

#### "SEC. 1352. RESEARCH.

"(a) REQUIREMENT.—The Secretary of Agriculture shall conduct research to examine the effects, to the extent listed in subsection (b), of grade standards and other regulations, as developed and promulgated pursuant to the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.), and other statutes governing cosmetic appearance.

"(b) SCOPE OF RESEARCH.—The primary goal of this research is to investigate the extent to which grade standards and other regulations governing cosmetic appearance affect pesticide use in the production of perishable commodities. The research shall also—

"(1) determine pesticide application levels for United States perishable commodity production and assess trends, and factors influencing those trends, of pesticide application levels since 1975;

"(2) determine the extent to which Federal grade standards and other regulations affect pesticide use in agriculture for cosmetic appearance;

“(3) determine the effect of reducing emphasis on cosmetic appearance in grade standards and other regulations on—

“(A) the application and availability of pesticides in agriculture;

“(B) the adoption of agricultural practices that result in reduced pesticide use;

“(C) production and marketing costs;

“(D) domestic and international markets and trade for perishable commodities;

“(4) determine the extent to which grade standards and other regulations reflect consumer preferences;

“(5) develop options for implementation of food marketing policies and practices that will remove obstacles that may exist to pesticide use reduction, based on the findings of research conducted under this section.

“(c) FIELD RESEARCH.—

“(1) LENGTH OF PROJECTS.—The Secretary of Agriculture shall implement, not later than 12 months after the date of enactment of this Act [Nov. 28, 1990], a minimum of three, 2-year market research projects, in at least three States, to demonstrate and evaluate the feasibility of consumer education and information programs.

“(2) SCOPE OF FIELD RESEARCH.—Research under paragraph (1) shall be conducted to evaluate programs designed to—

“(A) offer consumers choices among perishable commodities produced with different production practices;

“(B) provide consumers with information about agricultural practices used in the production of perishable commodities; or

“(C) educate the public about the relationship, as determined in the research conducted under this subtitle, between the cosmetic appearance of perishable commodities and pesticide use.

“(d) DISSEMINATION OF RESULTS.—The Secretary of Agriculture shall disseminate to concerned parties the results obtained from prior scientifically valid research concerning Federal marketing policies and practices described in this section to avoid any duplication of effort and to ensure that current knowledge concerning such policies and practices is enhanced.

“(e) ADVISORY COMMITTEE.—

“(1) ESTABLISHMENT.—The Secretary of Agriculture shall establish an advisory committee for the purpose of providing ongoing review of the implementation of the requirements in this section and providing the Secretary of Agriculture with recommendations regarding the implementation of those requirements.

“(2) MEMBERSHIP.—The Advisory Committee shall consist of 12 members comprised of three representatives from not-for-profit consumer organizations, three representatives from not-for-profit environmental organizations, three representatives from production agriculture and the perishable commodity grower and shipper community, and three representatives from the food retailing sector, each with experience in the policy issues discussed in this section.

“(f) REPORT.—The Secretary of Agriculture shall report to Congress on the research conducted under this section no later than September 30, 1992. The Secretary shall report on the research conducted under subsection (c) no later than September 30, 1993.

“SEC. 1353. CHANGES IN PROCEDURAL REGULATIONS.

“With regard to Federal grade standards developed and promulgated pursuant to the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.), the Secretary of Agriculture shall:

“(1) Take into account the impact of those standards on the ability of perishable commodity growers to reduce the use of pesticides.

“(2) Provide for citizens outside of the perishable commodity industry fair and reasonable opportunity to formally petition a change in grade standards.

“(3) Provide for a comment period after a formal petition to change grade standards has been made to

enable all interested parties to submit information. The Secretary of Agriculture shall evaluate the information and consider it in the revision process.

“(4) Provide interested parties with annual status reports during the period 1992 through 1994, updated upon request, on all pending grade standard changes the Department of Agriculture is considering.

“SEC. 1354. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out the activities required under this subtitle, \$4,000,000 for each fiscal year.”

#### § 1622a. Authority to assist farmers and elevator operators

The Secretary may provide technical assistance (including information on such financial assistance as may be available) to grain producers and elevator operators to assist such producers and operators in installing or improving grain cleaning, drying or storage equipment.

(Pub. L. 101-624, title XX, § 2014, Nov. 28, 1990, 104 Stat. 3933.)

#### CODIFICATION

Section was enacted as part of the Grain Quality Incentives Act of 1990, and also as part of the Food, Agriculture, Conservation, and Trade Act of 1990, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

#### § 1622b. Specialty crops market news allocation

##### (a) In general

The Secretary shall—

(1) carry out market news activities to provide timely price and shipment information of specialty crops in the United States; and

(2) use funds made available under subsection (b) to increase the reporting levels for specialty crops in effect on the date of enactment of this Act.

##### (b) Authorization of appropriations

In addition to any other funds made available through annual appropriations for market news services, there is authorized to be appropriated to carry out this section \$9,000,000 for each of fiscal years 2008 through 2018, to remain available until expended.

(Pub. L. 110-234, title X, § 10107, May 22, 2008, 122 Stat. 1337; Pub. L. 110-246, § 4(a), title X, § 10107, June 18, 2008, 122 Stat. 1664, 2099; Pub. L. 113-79, title X, § 10001, Feb. 7, 2014, 128 Stat. 939.)

#### REFERENCES IN TEXT

The date of enactment of this Act, referred to in subsec. (a)(2), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

#### CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

#### AMENDMENTS

2014—Subsec. (b). Pub. L. 113-79 substituted “2018” for “2012”.

#### EFFECTIVE DATE

Enactment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the

date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as a note under section 8701 of this title.

#### DEFINITIONS

“Secretary” as meaning the Secretary of Agriculture, see section 8701 of this title.

Pub. L. 110-234, title X, §10001, May 22, 2008, 122 Stat. 1335, and Pub. L. 110-246, §4(a), title X, §10001, June 18, 2008, 122 Stat. 1664, 2096, provided that: “In this title [enacting this section, former section 1622c, sections 7655a, 7721, and former section 7761 of this title, and section 2104a of Title 16, Conservation, amending sections 608e-1, 1622, 2204g, 3005, 4606, 5925c, 6104, 6522, 6523, 7715, 7733, 7734, 7751, and 7772 of this title, enacting provisions set out as notes under sections 608c, 1622, and 7701 of this title, and amending provisions set out as a note under section 1621 of this title]:

“(1) SPECIALTY CROP.—The term ‘specialty crop’ has the meaning given the term in section 3 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108-465).

“(2) STATE DEPARTMENT OF AGRICULTURE.—The term ‘State department of agriculture’ means the agency, commission, or department of a State government responsible for protecting and promoting agriculture in the State.”

[Pub. L. 110-234 and Pub. L. 110-246 enacted identical provisions. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246, set out as a note under section 8701 of this title.]

#### § 1622c. Repealed. Pub. L. 113-79, title X, § 10002, Feb. 7, 2014, 128 Stat. 940

Section, Pub. L. 110-234, title X, §10403, May 22, 2008, 122 Stat. 1349; Pub. L. 110-246, §4(a), title X, §10403, June 18, 2008, 122 Stat. 1664, 2111, related to a grant program to improve movement of specialty crops.

#### EFFECTIVE DATE OF REPEAL

Pub. L. 113-79, title X, §10002, Feb. 7, 2014, 128 Stat. 940, provided that: “Effective October 1, 2013, section 10403 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622c) is repealed.”

#### § 1623. Authorization of appropriations; allotments to States

(a) In order to conduct research and service work in connection with the preparation for market, processing, packaging, handling, storing, transporting, distributing, and marketing of agricultural products as authorized by this chapter, there is hereby authorized to be appropriated the following sums:

(1) \$2,500,000 for the fiscal year ending June 30, 1947, and each subsequent fiscal year.

(2) An additional \$2,500,000 for the fiscal year ending June 30, 1948, and each subsequent fiscal year.

(3) An additional \$5,000,000 for the fiscal year ending June 30, 1949, and each subsequent fiscal year.

(4) An additional \$5,000,000 for the fiscal year ending June 30, 1950, and each subsequent fiscal year.

(5) An additional \$5,000,000 for the fiscal year ending June 30, 1951, and each subsequent fiscal year.

(6) In addition to the foregoing, such additional funds beginning with the fiscal year ending June 30, 1952, and thereafter, as the Congress may deem necessary.

Such sums appropriated in pursuance of this chapter shall be in addition to, and not in sub-

stitution for, sums appropriated or otherwise made available to the Department of Agriculture.

(b) The Secretary of Agriculture is authorized to make available from such funds such sums as he may deem appropriate for allotment to State departments of agriculture, State bureaus and departments of markets, State agricultural experiment stations, and other appropriate State agencies for cooperative projects in marketing service and in marketing research to effectuate the purposes of this chapter: *Provided*, That no such allotment and no payment under any such allotment shall be made for any fiscal year to any State agency in excess of the amount which such State agency makes available out of its own funds for such research. The funds which State agencies are required to make available in order to qualify for such an allotment shall be in addition to any funds now available to such agencies for marketing services and for marketing research. The allotments authorized under this section shall be made to the agency or agencies best equipped and qualified to conduct the specific project to be undertaken. Such allotments shall be covered by cooperative agreements between the Secretary of Agriculture and the cooperating agency and shall include appropriate provisions for preventing duplication or overlapping of work within the State or States cooperating. Should duplication or overlapping occur subsequent to approval of a cooperative project or allotment of funds, the Secretary of Agriculture is authorized and directed to withhold unexpended balances on such projects notwithstanding the prior approval thereof.

(Aug. 14, 1946, ch. 966, title II, §204, 60 Stat. 1089.)

#### § 1623a. Omitted

#### CODIFICATION

Section, Pub. L. 107-76, title VII, §703, Nov. 28, 2001, 115 Stat. 731, which provided that not less than \$1,500,000 of the appropriations of the Department of Agriculture for research and service work authorized by sections 427, 427i, and 1621 et seq. of this title and chapter 63 of title 31 would be available for contracting in accordance with those laws, was from the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002, and was not repeated in subsequent appropriation acts. Similar provisions were contained in the following prior appropriation acts:

Pub. L. 106-387, §1(a) [title VII, §703], Oct. 28, 2000, 114 Stat. 1549, 1549A-28.

Pub. L. 106-78, title VII, §703, Oct. 22, 1999, 113 Stat. 1160.

Pub. L. 105-277, div. A, §101(a) [title VII, §703], Oct. 21, 1998, 112 Stat. 2681, 2681-25.

Pub. L. 105-86, title VII, §703, Nov. 18, 1997, 111 Stat. 2104.

Pub. L. 104-180, title VII, §703, Aug. 6, 1996, 110 Stat. 1596.

Pub. L. 104-37, title VII, §703, Oct. 21, 1995, 109 Stat. 329.

Pub. L. 103-330, title VII, §703, Sept. 30, 1994, 108 Stat. 2466.

Pub. L. 103-111, title VII, §703, Oct. 21, 1993, 107 Stat. 1078.

Pub. L. 102-341, title VII, §703, Aug. 14, 1992, 106 Stat. 906.

Pub. L. 102-142, title VII, §704, Oct. 28, 1991, 105 Stat. 911.



Pub. L. 101-506, title VI, §604, Nov. 5, 1990, 104 Stat. 1346.

Pub. L. 101-161, title VI, §604, Nov. 21, 1989, 103 Stat. 982.

Pub. L. 100-460, title VI, §604, Oct. 1, 1988, 102 Stat. 2259.

Pub. L. 100-202, §101(k) [title VI, §604], Dec. 22, 1987, 101 Stat. 1329-322, 1329-353.

Pub. L. 99-500, §101(a) [title VI, §604], Oct. 18, 1986, 100 Stat. 1783, 1783-27, and Pub. L. 99-591, §101(a) [title VI, §604], Oct. 30, 1986, 100 Stat. 3341, 3341-27.

Pub. L. 99-190, §101(a) [H.R. 3037, title VI, §604], Dec. 19, 1985, 99 Stat. 1185; Pub. L. 100-202, §106, Dec. 22, 1987, 101 Stat. 1329-433.

Pub. L. 97-370, title VI, §604, Dec. 18, 1982, 96 Stat. 1810.

Pub. L. 97-103, title VI, §604, Dec. 23, 1981, 95 Stat. 1487.

Pub. L. 96-528, title VI, §604, Dec. 15, 1980, 94 Stat. 3116.

Pub. L. 96-108, title VI, §603, Nov. 9, 1979, 93 Stat. 840.

Pub. L. 95-448, title VI, §603, Oct. 11, 1978, 92 Stat. 1092.

Pub. L. 95-97, title VI, §603, Aug. 12, 1977, 91 Stat. 828.

Pub. L. 94-351, title VI, §603, July 12, 1976, 90 Stat. 868.

Pub. L. 94-122, title VI, §605, Oct. 21, 1975, 89 Stat. 667.

Pub. L. 93-563, title V, §505, Dec. 31, 1974, 88 Stat. 1842.

Pub. L. 93-135, title V, §506, Oct. 24, 1973, 87 Stat. 490.

Pub. L. 92-399, title V, §506, Aug. 22, 1972, 86 Stat. 611.

Pub. L. 92-73, title V, §506, Aug. 10, 1971, 85 Stat. 201.

Pub. L. 91-566, title V, §506, Dec. 22, 1970, 84 Stat. 1496.

Pub. L. 91-127, title V, §506, Nov. 26, 1969, 83 Stat. 260.

Pub. L. 90-463, title V, §506, Aug. 8, 1968, 82 Stat. 653.

Pub. L. 90-113, title V, §506, Oct. 24, 1967, 81 Stat. 335.

Pub. L. 89-556, title V, §506, Sept. 7, 1966, 80 Stat. 704.

Pub. L. 89-316, title V, §506, Nov. 2, 1965, 79 Stat. 1179.

Pub. L. 88-573, title V, §506, Sept. 2, 1964, 78 Stat. 876.

Pub. L. 88-250, title VI, §606, Dec. 30, 1963, 77 Stat. 833.

Pub. L. 87-879, title VI, §606, Oct. 24, 1962, 76 Stat. 1215.

Pub. L. 87-112, title V, §506, July 26, 1961, 75 Stat. 241.

Pub. L. 86-532, title IV, §406, June 29, 1960, 74 Stat. 244.

Pub. L. 86-80, title IV, §406, July 8, 1959, 73 Stat. 180.

Pub. L. 85-459, title IV, §406, June 13, 1958, 72 Stat. 199.

Pub. L. 85-118, title V, §506, Aug. 2, 1957, 71 Stat. 340.

June 4, 1956, ch. 355, title V, §506, 70 Stat. 241.

May 23, 1955, ch. 43, title V, §506, 69 Stat. 63.

June 29, 1954, ch. 409, title V, §506, 68 Stat. 319.

#### § 1624. Cooperation with Government and State agencies, private research organizations, etc.; rules and regulations

(a) In carrying out the provisions of this chapter, the Secretary of Agriculture may cooperate with other branches of the Government, State agencies, private research organizations, purchasing and consuming organizations, boards of trade, chambers of commerce, other associations of business or trade organizations, transportation and storage agencies and organizations, or other persons or corporations engaged in the production, transportation, storing, processing, marketing, and distribution of agricultural products whether operating in one or more jurisdictions. The Secretary of Agriculture shall have authority to enter into contracts and agreements under the terms of regulations promulgated by him with States and agencies of States, private firms, institutions, and individuals for the purpose of conducting research and service work, making and compiling reports and surveys, and carrying out other functions relating thereto when in his judgment the services or functions to be performed will be carried out

more effectively, more rapidly, or at less cost than if performed by the Department of Agriculture. Contracts under this section may be made for work to be performed within a period not more than four years from the date of any such contract, and advance, progress, or other payments may be made. The provisions of section 3324(a) and (b) of title 31 and section 6101 of title 41 shall not be applicable to contracts or agreements made under the authority of this section. Any unexpended balances of appropriations obligated by contracts as authorized by this section may, notwithstanding the provisions of section 5 of the Act of June 20, 1874, as amended (31 U.S.C., sec. 713), remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury. Any contract made pursuant to this section shall contain requirements making the result of such research and investigations available to the public by such means as the Secretary of Agriculture shall determine.

(b) The Secretary of Agriculture shall promulgate such orders, rules, and regulations as he deems necessary to carry out the provisions of this chapter.

(Aug. 14, 1946, ch. 966, title II, §205, 60 Stat. 1090; Aug. 30, 1954, ch. 1076, §1(7), 68 Stat. 966.)

#### REFERENCES IN TEXT

Section 5 of the Act of June 20, 1874, as amended (31 U.S.C. sec. 713), referred to in subsec. (a), was repealed by act July 6, 1949, ch. 299, §3, 63 Stat. 407.

#### CODIFICATION

In subsec. (a), “section 3324(a) and (b) of title 31” substituted for reference to section 3648 (31 U.S.C., sec. 529) of the Revised Statutes on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

In subsec. (a), “section 6101 of title 41” substituted for “section 3709 (41 U.S.C., sec. 5) of the Revised Statutes” on authority of Pub. L. 111-350, §6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

#### AMENDMENTS

1954—Subsec. (b). Act Aug. 30, 1954, repealed second sentence requiring Secretary of Agriculture to include in his annual report to Congress a complete statement of research work being performed under contracts or cooperative agreements under this chapter.

#### DISTRIBUTION OF SURPLUS COMMODITIES

Pub. L. 97-253, title I, §191, Sept. 8, 1982, 96 Stat. 787, provided that:

“(a) The Congress finds that—

“(1) for an increasing number of people in the United States, these are times of great suffering and deprivation;

“(2) rising unemployment, decreasing appropriations for social services, and increasingly adverse economic conditions have all contributed to produce hunger and want on a scale not experienced since the time of the Great Depression;

“(3) the demand for every conceivable form of assistance for the hungry and needy people of the United States grows more critical daily, while the availability of goods and services to meet the needs of such people is rapidly diminishing;

“(4) soup kitchens, food banks, and other organizations which provide food to the hungry report an astronomical increase in the number of persons seeking the assistance of such organizations;

“(5) according to a study completed by the General Accounting Office [now Government Accountability Office] in 1977, one hundred and thirty-seven million tons of food, or more than 20 per centum of this country’s total annual food production, is wasted or discarded in the United States each year;

“(6) at wholesale and retail food distributors, shipping terminals, and other establishments all across the country, enormous quantities of fresh fruits and vegetables and dated dairy and bakery products are discarded each day, while growing numbers of Americans go to bed hungry and undernourished each night;

“(7) in these times of budget constraints and appeals for reductions in Federal spending, the use of private resources to meet the basic food requirements of our citizens should be encouraged; and

“(8) many States and local governments have not enacted laws which limit the liability of food donors, such as so-called Good Samaritan Acts and donor liability laws, and thus have discouraged donation of food to the needy by private persons.

“(b) It is the sense of the Congress that—

“(1) departments and agencies of the Federal Government should take such steps as may be necessary to distribute to hungry people of the United States surplus food or food which would otherwise be discarded;

“(2) State and local governments which have not yet enacted so-called Good Samaritan or donor liability laws to encourage private cooperative efforts to provide food for hungry people within their respective jurisdictions should do so as quickly as possible; and

“(3) wholesale and retail food distributors, shipping terminals, and other establishments should work more closely with religious, community, and other charitable organizations to make wholesome food which is currently being wasted or discarded by such establishments available for immediate distribution to hungry people of the United States.”

#### **§ 1625. Transfer and consolidation of functions, powers, bureaus, etc.**

In order to facilitate administration and to increase the effectiveness of the marketing research, service, and regulatory work of the Department of Agriculture to the fullest extent practicable, the Secretary of Agriculture is authorized, notwithstanding any other provisions of law, to transfer, group, coordinate, and consolidate the functions, powers, duties, and authorities of each and every agency, division, bureau, service, section, or other administrative unit in the Department of Agriculture primarily concerned with research, service, or regulatory activities in connection with the marketing, transportation, storage, processing, distribution of, or service or regulatory activities in connection with, the utilization of, agricultural products, into a single administrative agency. In making such changes as may be necessary to carry out effectively the purposes of this chapter, the records, property, personnel, and funds of such agencies, divisions, bureaus, services, sections, or other administrative units in the Department of Agriculture affected are authorized to be transferred to and used by such administrative agency to which the transfer may be made, but such unexpended balances of appropriations so transferred shall be used only for the purposes for which such appropriations were made.

(Aug. 14, 1946, ch. 966, title II, § 206, 60 Stat. 1090.)

#### **§ 1626. Definitions**

When used in this chapter, the term “agricultural products” includes agricultural, horticultural, viticultural, and dairy products, livestock and poultry, bees, forest products, fish and shellfish, and any products thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured product thereof, and the term “State” when used in this chapter<sup>1</sup> shall include the Virgin Islands and Guam.

(Aug. 14, 1946, ch. 966, title II, § 207, 60 Stat. 1091; Pub. L. 92-318, title V, § 506(f), June 23, 1972, 86 Stat. 351.)

#### **REFERENCES IN TEXT**

This chapter, referred to in text inserted by Pub. L. 92-318, probably means title II of act Aug. 14, 1946, which is classified generally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 1621 of this title and Tables.

#### **AMENDMENTS**

1972—Pub. L. 92-318 inserted “, and the term ‘State’ when used in this chapter shall include the Virgin Islands and Guam” before period at end.

#### **EFFECTIVE DATE OF 1972 AMENDMENT**

Amendment by Pub. L. 92-318 effective after June 30, 1970, see section 506(n) of Pub. L. 92-318, set out as a note under section 326a of this title.

#### **§ 1627. Appointment of personnel; compensation; employment of specialists**

The Secretary of Agriculture shall have the power to appoint, remove, and fix, in accordance with existing law, the compensation of such officers and employees, and to make such expenditures as he deems necessary, including expenditures for rent outside the District of Columbia, travel, supplies, books, equipment, and such other expenditures as may be necessary to the administration of this chapter: *Provided*, That the Secretary of Agriculture may appoint any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, inspection, classification, technical, or other special services, without regard to the civil-service laws.

(Aug. 14, 1946, ch. 966, title II, § 208, 60 Stat. 1091.)

#### **CODIFICATION**

Provisions that authorized the Secretary of Agriculture to “fix the compensation” of any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, inspection, classification, technical or other special services, without regard to the “Classification Act of 1923, as amended” were omitted as obsolete. Sections 1202 and 1204 of the Classification Act of 1949, 63 Stat. 972, 973 repealed the 1923 Act and all laws or parts of laws inconsistent with the 1949 Act. While section 1106(a) of the 1949 Act provided that references in other laws to the 1923 Act should be held and considered to mean the 1949 Act, it did not have the effect of continuing the exceptions contained in this subsection because of section 1106(b) which provided that the application of

<sup>1</sup> See References in Text note below.

the 1949 Act to any position, officer, or employee shall not be affected by section 1106(a). The Classification Act of 1949 was repealed by Pub. L. 89-554, §8(a), Sept. 6, 1966, 80 Stat. 632 (of which section 1 revised and enacted Title 5, U.S.C., into law). Section 5102 of Title 5, now contains the applicability provisions of the 1949 Act, and section 5103 of Title 5 authorizes the Office of Personnel Management to determine the applicability to specific positions and employees.

**§ 1627a. Sheep production and marketing grant program**

**(a) Establishment**

The Secretary of Agriculture, acting through the Administrator of the Agricultural Marketing Service, shall establish a competitive grant program for the purposes of strengthening and enhancing the production and marketing of sheep and sheep products in the United States, including through—

- (1) the improvement of—
  - (A) infrastructure;
  - (B) business; and
  - (C) resource development; and
- (2) the development of innovative approaches to solve long-term needs.

**(b) Eligibility**

The Secretary shall make grants under this section to at least one national entity, the mission of which is consistent with the purpose of the grant program.

**(c) Funding**

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$1,500,000 for fiscal year 2014, to remain available until expended.

(Aug. 14, 1946, ch. 966, title II, §209, as added Pub. L. 113-79, title XII, §12102(a), Feb. 7, 2014, 128 Stat. 978.)

**§ 1627b. National Sheep Industry Improvement Center**

**(a) Definitions**

In this section:

**(1) Board**

The term “Board” means the Board of Directors established under subsection (f).

**(2) Center**

The term “Center” means the National Sheep Industry Improvement Center established under subsection (b).

**(3) Eligible entity**

The term “eligible entity” means an entity that promotes the betterment of the United States sheep or goat industries and that is—

- (A) a public, private, or cooperative organization;
- (B) an association, including a corporation not operated for profit;
- (C) a federally recognized Indian Tribe; or
- (D) a public or quasi-public agency.

**(4) Fund**

The term “Fund” means the National Sheep Industry Improvement Center Revolving Fund established under subsection (e).

**(5) Intermediary**

The term “intermediary” means a financial institution receiving Center funds for estab-

lishing a revolving fund and relending to an eligible entity.

**(b) Establishment of Center**

The Secretary shall establish a National Sheep Industry Improvement Center.

**(c) Purposes**

The purposes of the Center shall be to—

- (1) promote strategic development activities and collaborative efforts by private and State entities to maximize the impact of Federal assistance to strengthen and enhance production and marketing of sheep or goat products in the United States;
- (2) optimize the use of available human capital and resources within the sheep or goat industries;
- (3) provide assistance to meet the needs of the sheep or goat industry for infrastructure development, business development, production, resource development, and market and environmental research;
- (4) advance activities that empower and build the capacity of the United States sheep or goat industry to design unique responses to the special needs of the sheep or goat industries on both a regional and national basis; and
- (5) adopt flexible and innovative approaches to solving the long-term needs of the United States sheep or goat industry.

**(d) Strategic plan**

**(1) In general**

The Center shall submit to the Secretary an annual strategic plan for the delivery of financial assistance provided by the Center.

**(2) Requirements**

A strategic plan shall identify—

- (A) goals, methods, and a benchmark for measuring the success of carrying out the plan and how the plan relates to the national and regional goals of the Center;
- (B) the amount and sources of Federal and non-Federal funds that are available for carrying out the plan;
- (C) funding priorities;
- (D) selection criteria for funding; and
- (E) a method of distributing funding.

**(e) Revolving Fund**

**(1) Establishment**

There is established in the Treasury the National Sheep Industry Improvement Center Revolving Fund. The Fund shall be available to the Center, without fiscal year limitation, to carry out the authorized programs and activities of the Center under this section.

**(2) Contents of Fund**

There shall be deposited in the Fund—

- (A) such amounts as may be appropriated, transferred, or otherwise made available to support programs and activities of the Center;
- (B) payments received from any source for products, services, or property furnished in connection with the activities of the Center;
- (C) fees and royalties collected by the Center from licensing or other arrangements re-

lating to commercialization of products developed through projects funded, in whole or part, by grants, contracts, or cooperative agreements executed by the Center;

(D) proceeds from the sale of assets, loans, and equity interests made in furtherance of the purposes of the Center;

(E) donations or contributions accepted by the Center to support authorized programs and activities; and

(F) any other funds acquired by the Center.

### **(3) Use of Fund**

#### **(A) In general**

The Center may use amounts in the Fund to make direct loans, loan guarantees, cooperative agreements, equity interests, investments, repayable grants, and grants to eligible entities, either directly or through an intermediary, in accordance with a strategic plan submitted under subsection (d).

#### **(B) Continued existence**

The Center shall manage the Fund in a manner that ensures that sufficient amounts are available in the Fund to carry out subsection (c). The Fund is intended to furnish the initial capital for a revolving fund that will eventually be privatized for the purposes of assisting the United States sheep and goat industries.

#### **(C) Diverse area**

The Center shall, to the maximum extent practicable, use the Fund to serve broad geographic areas and regions of diverse production.

#### **(D) Administration**

The Center may not use more than 10 percent of the amounts in the portfolio of the Center for each fiscal year for the administration of the Center. The portfolio shall be calculated at the beginning of each fiscal year and shall include a total of—

- (i) all outstanding loan balances;
- (ii) the Fund balance;
- (iii) the outstanding balance to intermediaries; and
- (iv) the amount the Center paid for all equity interests.

#### **(E) Influencing legislation**

None of the amounts in the Fund may be used to influence legislation.

#### **(F) Accounting**

To be eligible to receive amounts from the Fund, an entity must agree to account for the amounts using generally accepted accounting principles.

#### **(G) Uses of Fund**

The Center may use amounts in the Fund to—

- (i) participate with Federal and State agencies in financing activities that are in accordance with a strategic plan submitted under subsection (d), including participation with several States in a regional effort;
- (ii) participate with other public and private funding sources in financing activi-

ties that are in accordance with the strategic plan, including participation in a regional effort;

(iii) provide security for, or make principal or interest payments on, revenue or general obligation bonds issued by a State, if the proceeds from the sale of the bonds are deposited in the Fund;

(iv) accrue interest;

(v) guarantee or purchase insurance for local obligations to improve credit market access or reduce interest rates for a project that is in accordance with the strategic plan;

(vi) sell assets, loans, and equity interests acquired in connection with the financing of projects funded by the Center; or

(vii) purchase equity interests.

### **(4) Loans**

#### **(A) Rate**

A loan from the Fund may be made at an interest rate that is below the market rate or may be interest free.

#### **(B) Term**

The term of a loan may not exceed the shorter of—

- (i) the useful life of the activity financed; or
- (ii) 40 years.

#### **(C) Source of repayment**

The Center may not make a loan from the Fund unless the recipient establishes an assured source of repayment.

#### **(D) Proceeds**

All payments of principal and interest on a loan made from the Fund shall be deposited into the Fund.

### **(5) Maintenance of effort**

The Center shall use the Fund only to supplement and not to supplant Federal, State, and private funds expended for rural development.

### **(f) Board of Directors**

#### **(1) In general**

The management of the Center shall be vested in a Board of Directors.

#### **(2) Powers**

The Board shall—

(A) be responsible for the general supervision of the Center;

(B) review any contract, direct loan, loan guarantee, cooperative agreement, equity interest, investment, repayable grant, and grant to be made or entered into by the Center and any financial assistance provided to the Center;

(C) make the final decision, by majority vote, on whether and how to provide assistance to an applicant; and

(D) develop and establish a budget plan and a long-term operating plan to carry out the goals of the Center.

#### **(3) Composition**

The Board shall be composed of—

(A) 7 voting members, of whom—

- (i) 4 members shall be active producers of sheep or goats in the United States;
- (ii) 2 members shall have expertise in finance and management; and
- (iii) 1 member shall have expertise in lamb, wool, goat, or goat product marketing; and

(B) 2 nonvoting members, of whom—

- (i) 1 member shall be the Under Secretary of Agriculture for Rural Development; and
- (ii) 1 member shall be the Under Secretary of Agriculture for Research, Education, and Economics.

#### **(4) Nomination**

##### **(A) Nominating body**

The Secretary shall appoint the voting members of the Board from nominations submitted by organizations described in subparagraph (B).

##### **(B) National organizations**

A national organization is described in this subparagraph if the organization—

- (i) consists primarily of active sheep or goat producers in the United States; and
- (ii) has as the primary interest of the organization the production of sheep or goats in the United States.

#### **(5) Term of office**

##### **(A) In general**

Subject to subparagraph (B), the term of office of a voting member of the Board shall be 3 years.

##### **(B) Staggered initial terms**

The initial voting members of the Board (other than the chairperson of the initially established Board) shall serve for staggered terms of 1, 2, and 3 years, as determined by the Secretary.

##### **(C) Reappointment**

A voting member may be reappointed for not more than one additional term.

#### **(6) Vacancy**

##### **(A) In general**

A vacancy on the Board shall be filled in the same manner as the original Board.

##### **(B) Reappointment**

A voting member appointed to fill a vacancy for an unexpired term may be reappointed for one full term.

#### **(7) Chairperson**

##### **(A) In general**

The Board shall select a chairperson from among the voting members of the Board.

##### **(B) Term**

The term of office of the chairperson shall be 2 years.

#### **(8) Annual meeting**

##### **(A) In general**

The Board shall meet not less than once each fiscal year at the call of the chair-

person or at the request of the executive director appointed under subsection (g)(1).

##### **(B) Location**

The location of a meeting of the Board shall be established by the Board.

#### **(9) Voting**

##### **(A) Quorum**

A quorum of the Board shall consist of a majority of the voting members.

##### **(B) Majority vote**

A decision of the Board shall be made by a majority of the voting members of the Board.

#### **(10) Conflicts of interest**

##### **(A) In general**

Except as provided in subparagraph (D), a member of the Board shall not vote on any matter respecting any application, contract, claim, or other particular matter pending before the Board in which, to the knowledge of the member, an interest is held by—

- (i) the member;
- (ii) any spouse of the member;
- (iii) any child of the member;
- (iv) any partner of the member;
- (v) any organization in which the member is serving as an officer, director, trustee, partner, or employee; or
- (vi) any person with whom the member is negotiating or has any arrangement concerning prospective employment or with whom the member has a financial interest.

##### **(B) Removal**

Any action by a member of the Board that violates subparagraph (A) shall be cause for removal from the Board.

##### **(C) Validity of action**

An action by a member of the Board that violates subparagraph (A) shall not impair or otherwise affect the validity of any otherwise lawful action by the Board.

##### **(D) Disclosure**

###### **(i) In general**

If a member of the Board makes a full disclosure of an interest and, prior to any participation by the member, the Board determines, by majority vote, that the interest is too remote or too inconsequential to affect the integrity of any participation by the member, the member may participate in the matter relating to the interest, except as provided in subparagraph (E)(iii).

###### **(ii) Vote**

A member that discloses an interest under clause (i) shall not vote on a determination of whether the member may participate in the matter relating to the interest.

##### **(E) Remands**

###### **(i) In general**

The Secretary may vacate and remand to the Board for reconsideration any decision made pursuant to subsection (e)(3)(H)

if the Secretary determines that there has been a violation of this paragraph or any conflict of interest provision of the bylaws of the Board with respect to the decision.

**(ii) Reasons**

In the case of any violation and remand of a funding decision to the Board under clause (i), the Secretary shall inform the Board of the reasons for the remand.

**(iii) Conflicted members not to vote on remanded decisions**

If a decision with respect to a matter is remanded to the Board by reason of a conflict of interest faced by a Board member, the member may not participate in any subsequent decision with respect to the matter.

**(11) Compensation**

**(A) In general**

A member of the Board shall not receive any compensation by reason of service on the Board.

**(B) Expenses**

A member of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred by the member in the performance of a duty of the member.

**(12) Bylaws**

The Board shall adopt, and may from time to time amend, any bylaw that is necessary for the proper management and functioning of the Center.

**(13) Public hearings**

Not later than 1 year after April 4, 1996, the Board shall hold public hearings on policy objectives of the program established under this section.

**(14) Organizational system**

The Board shall provide a system of organization to fix responsibility and promote efficiency in carrying out the functions of the Board.

**(15) Use of Department of Agriculture**

The Board may, with the consent of the Secretary, utilize the facilities of and the services of employees of the Department of Agriculture, without cost to the Center.

**(g) Officers and employees**

**(1) Executive director**

**(A) In general**

The Board shall appoint an executive director to be the chief executive officer of the Center.

**(B) Tenure**

The executive director shall serve at the pleasure of the Board.

**(C) Compensation**

Compensation for the executive director shall be established by the Board.

**(2) Other officers and employees**

The Board may select and appoint officers, attorneys, employees, and agents who shall be

vested with such powers and duties as the Board may determine.

**(3) Delegation**

The Board may, by resolution, delegate to the chairperson, the executive director, or any other officer or employee any function, power, or duty of the Board other than voting on a grant, loan, contract, agreement, budget, or annual strategic plan.

**(h) Consultation**

To carry out this section, the Board may consult with—

- (1) State departments of agriculture;
- (2) Federal departments and agencies;
- (3) nonprofit development corporations;
- (4) colleges and universities;
- (5) banking and other credit-related agencies;
- (6) agriculture and agribusiness organizations; and
- (7) regional planning and development organizations.

**(i) Oversight**

**(1) In general**

The Secretary shall review and monitor compliance by the Board and the Center with this section.

**(2) Sanctions**

If, following notice and opportunity for a hearing, the Secretary finds that the Board or the Center is not in compliance with this section, the Secretary may—

- (A) cease making deposits to the Fund;
- (B) suspend the authority of the Center to withdraw funds from the Fund; or
- (C) impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this Act and disqualification from receipt of financial assistance under this section.

**(3) Rescission of sanctions**

The Secretary shall rescind sanctions imposed under paragraph (2) on a finding by the Secretary that there is no longer any failure by the Board or the Center to comply with this section or that the noncompliance will be promptly corrected.

(Aug. 14, 1946, ch. 966, title II, §210, formerly Pub. L. 87-128, title III, §375, as added Pub. L. 104-127, title VII, §759, Apr. 4, 1996, 110 Stat. 1132; amended Pub. L. 106-78, title VIII, §816, Oct. 22, 1999, 113 Stat. 1182; Pub. L. 106-387, §1(a) [title VII, §756], Oct. 28, 2000, 114 Stat. 1549, 1549A-43; Pub. L. 107-76, title VII, §731, Nov. 28, 2001, 115 Stat. 736; Pub. L. 108-7, div. A, title VII, §728, Feb. 20, 2003, 117 Stat. 42; Pub. L. 108-199, div. A, title VII, §726, Jan. 23, 2004, 118 Stat. 35; Pub. L. 108-447, div. A, title VII, §725, Dec. 8, 2004, 118 Stat. 2842; Pub. L. 110-234, title XI, §11009(a), (b)(1), May 22, 2008, 122 Stat. 1359; Pub. L. 110-246, §4(a), title XI, §11009(a), (b)(1), June 18, 2008, 122 Stat. 1664, 2120, 2121; renumbered act Aug. 14, 1946, §210, and amended Pub. L. 113-79, title XII, §12102(b), Feb. 7, 2014, 128 Stat. 979.)

REFERENCES IN TEXT

This Act, referred to in subsec. (i)(2)(C), probably means the Consolidated Farm and Rural Development

Act, title III of Pub. L. 87-128, Aug. 8, 1961, 75 Stat. 294, which is classified principally to chapter 50 (§1921 et seq.) of this title and of which this section was formerly a part prior to renumbering by Pub. L. 113-79. For classification of this Act to the Code, see Short Title note set out under section 1921 of this title and Tables.

#### CODIFICATION

Section was formerly classified to section 2008j of this title.

A former subsec. (j)(7) of this section provided for the repeal of this section on the date the Secretary published notice in the Federal Register that the transition plan to privatize the National Sheep Industry Improvement Center had been completed. Although such notice was published in the Federal Register on May 23, 2007, at 72 F.R. 28945, repeal of this section did not take effect because of amendment by Pub. L. 110-246, §11009(b), repealing subsec. (j) of this section, effective May 1, 2007. See 2008 Amendment and Effective Date of 2008 Amendment notes below.

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

#### AMENDMENTS

2014—Subsec. (e)(3)(D). Pub. L. 113-79, §12102(b)(1)(A), substituted “10 percent” for “3 percent” in introductory provisions.

Subsec. (e)(6). Pub. L. 113-79, §12102(b)(1)(B), struck out par. (6) which related to funding to carry out this section.

2008—Subsec. (e)(6)(B), (C). Pub. L. 110-246, §11009(a), added subpars. (B) and (C) and struck out former subpar. (B) which provided for \$27,998,000 out of moneys in the Treasury not otherwise appropriated to carry out this section and former subpar. (C) which authorized appropriation of an additional \$30,000,000.

Subsec. (j). Pub. L. 110-246, §11009(b)(1), struck out subsec. (j) which related to privatization of the National Sheep Industry Improvement Center and repeal of this section on the date that the Secretary published notice in the Federal Register that the transition plan for such privatization had been completed.

2004—Subsec. (e)(6)(B). Pub. L. 108-447 substituted “\$27,998,000” for “\$26,998,000”.

Pub. L. 108-199 substituted “\$26,998,000” for “\$26,499,000”.

2003—Subsec. (e)(6)(B). Pub. L. 108-7 substituted “\$26,499,000” for “\$26,000,000”.

2001—Subsec. (e)(6)(B). Pub. L. 107-76 substituted “\$26,000,000” for “\$25,000,000”.

2000—Subsec. (e)(6)(B). Pub. L. 106-387 substituted “\$25,000,000” for “\$20,000,000”.

1999—Subsec. (a)(5). Pub. L. 106-78, §816(a), added par. (5).

Subsec. (e)(3)(A). Pub. L. 106-78, §816(b)(1)(A), added subpar. (A) and struck out heading and text of former subpar. (A). Text read as follows: “The Center may use amounts in the Fund to make grants and loans to eligible entities in accordance with a strategic plan submitted under subsection (d) of this section.”

Subsec. (e)(3)(B). Pub. L. 106-78, §816(b)(1)(B), inserted at end “The Fund is intended to furnish the initial capital for a revolving fund that will eventually be privatized for the purposes of assisting the United States sheep and goat industries.”

Subsec. (e)(3)(D). Pub. L. 106-78, §816(b)(1)(C), (F), redesignated subpar. (E) as (D) and struck out heading and text of former subpar. (D). Text read as follows: “The Center shall, to the maximum extent practicable, use the Fund to provide a variety of grants and intermediate- and long-term loans.”

Subsec. (e)(3)(E). Pub. L. 106-78, §816(b)(1)(F), redesignated subpar. (F) as (E). Former subpar. (E) redesignated (D).

Pub. L. 106-78, §816(b)(1)(D), added subpar. (E) and struck out heading and text of former subpar. (E). Text

read as follows: “The Center may not use more than 3 percent of the amounts in the Fund for a fiscal year for the administration of the Center.”

Subsec. (e)(3)(F) to (H). Pub. L. 106-78, §816(b)(1)(F), redesignated subpars. (G) and (H) as (F) and (G), respectively. Former subpar. (F) redesignated (E).

Subsec. (e)(3)(H)(vii). Pub. L. 106-78, §816(b)(1)(E), added cl. (vii).

Subsec. (e)(6)(D). Pub. L. 106-78, §816(b)(2), struck out heading and text of subpar. (D). Text read as follows: “No additional Federal funds shall be used to carry out this section beginning on the earlier of—

“(i) the date that is 10 years after April 4, 1996; or

“(ii) the day after a total of \$50,000,000 has been made available under subparagraphs (B) and (C) to carry out this section.”

Subsec. (f)(2)(B). Pub. L. 106-78, §816(c)(1), added subpar. (B) and struck out former subpar. (B) which read as follows: “review any grant, loan, contract, or cooperative agreement to be made or entered into by the Center and any financial assistance provided to the Center;”.

Subsec. (f)(5)(C). Pub. L. 106-78, §816(c)(2), added subpar. (C) and struck out heading and text of former subpar. (C). Text read as follows: “A voting member may be reelected for not more than 1 additional term.”

Subsec. (f)(6)(B). Pub. L. 106-78, §816(c)(3), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: “A member elected to fill a vacancy for an unexpired term may be reelected for 1 full term.”

Subsec. (j). Pub. L. 106-78, §816(d), added subsec. (j).

#### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

Pub. L. 110-234, title XI, §11009(b)(2), May 22, 2008, 122 Stat. 1359, and Pub. L. 110-246, §4(a), title XI, §11009(b)(2), June 18, 2008, 122 Stat. 1664, 2121, provided that: “The amendment made by paragraph (1) [amending this section] takes effect on May 1, 2007.”

[Pub. L. 110-234 and Pub. L. 110-246 enacted identical provisions. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246, set out as a note under section 8701 of this title.]

#### § 1628. Repealed. Pub. L. 93-86, § 2, Aug. 10, 1973, 87 Stat. 246

Section, acts Aug. 14, 1946, ch. 966, title III, §301, 60 Stat. 1091; Dec. 29, 1967, Pub. L. 90-233, 81 Stat. 752, provided for establishment and staffing of a national advisory committee to aid in implementing the research and service work authorized under the act of Aug. 14, 1946, and set forth functions of such committee.

#### § 1629. Establishment of committees to assist in research and service programs

In the furtherance of the research and service work authorized by this Act, the Secretary of Agriculture may, in addition to the national advisory committee, establish appropriate committees, including representatives of producers, industry, government and science, to assist in effectuating specific research and service programs.

(Aug. 14, 1946, ch. 966, title III, §302, 60 Stat. 1091.)

#### REFERENCES IN TEXT

This Act, referred to in text, is act Aug. 14, 1946, ch. 966, 60 Stat. 1082, which enacted this chapter and sections 427h to 427j of this title and amended section 427

of this title. For complete classification of this Act to the Code, see Tables.

The national advisory committee, referred to in text, was established by section 1628 of this title, which was subsequently repealed by Pub. L. 93–86, § 2, Aug. 10, 1973, 87 Stat. 246.

#### CODIFICATION

Section was not enacted as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

### § 1630. Omitted

#### CODIFICATION

Section, act June 4, 1956, ch. 355, title V, § 508, 70 Stat. 241, which provided for availability of appropriations for committee expenses in effectuating research and service work, was from the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, and was not repeated in subsequent appropriation acts. Similar provisions were contained in the following prior appropriation acts:

May 23, 1955, ch. 43, title V, § 509, 69 Stat. 64.

June 29, 1954, ch. 409, title V, § 509, 68 Stat. 319.

### § 1631. Protection for purchasers of farm products

#### (a) Congressional findings

Congress finds that—

(1) certain State laws permit a secured lender to enforce liens against a purchaser of farm products even if the purchaser does not know that the sale of the products violates the lender's security interest in the products, lacks any practical method for discovering the existence of the security interest, and has no reasonable means to ensure that the seller uses the sales proceeds to repay the lender;

(2) these laws subject the purchaser of farm products to double payment for the products, once at the time of purchase, and again when the seller fails to repay the lender;

(3) the exposure of purchasers of farm products to double payment inhibits free competition in the market for farm products; and

(4) this exposure constitutes a burden on and an obstruction to interstate commerce in farm products.

#### (b) Declaration of purpose

The purpose of this section is to remove such burden on and obstruction to interstate commerce in farm products.

#### (c) Definitions

For the purposes of this section—

(1) The term “buyer in the ordinary course of business” means a person who, in the ordinary course of business, buys farm products from a person engaged in farming operations who is in the business of selling farm products.

(2) The term “central filing system” means a system for filing effective financing statements or notice of such financing statements on a statewide basis and which has been certified by the Secretary of the United States Department of Agriculture; the Secretary shall certify such system if the system complies with the requirements of this section; specifically under such system—

(A) effective financing statements or notice of such financing statements are filed with the office of the Secretary of State of a State;

(B) the Secretary of State records the date and hour of the filing of such statements;

(C) the Secretary of State compiles all such statements into a master list—

- (i) organized according to farm products;
- (ii) arranged within each such product—

(I) in alphabetical order according to the last name of the individual debtors, or, in the case of debtors doing business other than as individuals, the first word in the name of such debtors; and

(II) in numerical order according to the social security number, or other approved unique identifier, of the individual debtors or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number, or other approved unique identifier, of such debtors, except that the numerical list containing social security or taxpayer identification numbers may be encrypted for security purposes if the Secretary of State provides a method by which an effective search of the encrypted numbers may be conducted to determine whether the farm product at issue is subject to 1 or more liens; and

(III) geographically by county or parish; and

(IV) by crop year;

(iii) containing the information referred to in paragraph (4)(D);

(D) the Secretary of State maintains a list of all buyers of farm products, commission merchants, and selling agents who register with the Secretary of State, on a form indicating—

(i) the name and address of each buyer, commission merchant and selling agent;

(ii) the interest of each buyer, commission merchant, and selling agent in receiving the lists described in subparagraph (E); and

(iii) the farm products in which each buyer, commission merchant, and selling agent has an interest;

(E) the Secretary of State distributes regularly as prescribed by the State to each buyer, commission merchant, and selling agent on the list described in subparagraph (D) a copy in written or printed form of those portions of the master list described in subparagraph (C) that cover the farm products in which such buyer, commission merchant, or selling agent has registered an interest except that—

(i) the distribution of the portion of the master list may be in electronic, written, or printed form; and

(ii) if social security or taxpayer identification numbers on the master list are encrypted, the Secretary of State may distribute the master list only—

(I) by compact disc or other electronic media that contains—

(aa) the recorded list of debtor names; and

(bb) an encryption program that enables the buyer, commission merchant,



and selling agent to enter a social security number for matching against the recorded list of encrypted social security or taxpayer identification numbers; and

(II) on the written request of the buyer, commission merchant, or selling agent, by paper copy of the list to the requestor;

(F) the Secretary of State furnishes to those who are not registered pursuant to (2)(D) of this section<sup>1</sup> oral confirmation within 24 hours of any effective financing statement on request followed by written confirmation to any buyer of farm products buying from a debtor, or commission merchant or selling agent selling for a seller covered by such statement.

(3) The term “commission merchant” means any person engaged in the business of receiving any farm product for sale, on commission, or for or on behalf of another person.

(4) The term “effective financing statement” means a statement that—

(A) is an original or reproduced copy of the statement, or, in the case of a State which (under the applicable State law provisions of the Uniform Commercial Code) allows the electronic filing of financing statements without the signature of the debtor, is an electronically reproduced copy of the statement;

(B) other than in the case of an electronically reproduced copy of the statement, is signed, authorized, or otherwise authenticated by the debtor, and filed with the Secretary of State of a State by the secured party;

(C) contains,

(i) the name and address of the secured party;

(ii) the name and address of the person indebted to the secured party;

(iii) the social security number, or other approved unique identifier, of the debtor or, in the case of a debtor doing business other than as an individual, the Internal Revenue Service taxpayer identification number, or other approved unique identifier, of such debtor; and

(iv) a description of the farm products subject to the security interest created by the debtor, including the amount of such products where applicable, and the name of each county or parish in which the farm products are produced or located;

(D) must be amended in writing, within 3 months, similarly signed, authorized, or otherwise authenticated by the debtor and filed, to reflect material changes;

(E) remains effective for a period of 5 years from the date of filing, subject to extensions for additional periods of 5 years each by re-filing or filing a continuation statement within 6 months before the expiration of the initial 5 year period;

(F) lapses on either the expiration of the effective period of the statement or the filing of a notice signed, authorized, or otherwise authenticated by the secured party that the statement has lapsed, whichever occurs first;

(G) is accompanied by the requisite filing fee set by the Secretary of State; and

(H) substantially complies with the requirements of this subparagraph even though it contains minor errors that are not seriously misleading.

(5)<sup>2</sup> The term “farm product” means an agricultural commodity such as wheat, corn, soybeans, or a species of livestock such as cattle, hogs, sheep, horses, or poultry used or produced in farming operations, or a product of such crop or livestock in its unmanufactured state (such as ginned cotton, wool-clip, maple syrup, milk, and eggs), that is in the possession of a person engaged in farming operations.

(6) The term “knows” or “knowledge” means actual knowledge.

(7) The term “security interest” means an interest in farm products that secures payment or performance of an obligation.

(8) The term “selling agent” means any person, other than a commission merchant, who is engaged in the business of negotiating the sale and purchase of any farm product on behalf of a person engaged in farming operations.

(9) The term “State” means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

(10) The term “person” means any individual, partnership, corporation, trust, or any other business entity.

(11) The term “Secretary of State” means the Secretary of State or the designee of the State.

(5)<sup>3</sup> The term “approved unique identifier” means a number, combination of numbers and letters, or other identifier selected by the Secretary of State using a selection system or method approved by the Secretary of Agriculture.

#### **(d) Purchases free of security interest**

Except as provided in subsection (e) and notwithstanding any other provision of Federal, State, or local law, a buyer who in the ordinary course of business buys a farm product from a seller engaged in farming operations shall take free of a security interest created by the seller, even though the security interest is perfected; and the buyer knows of the existence of such interest.

#### **(e) Purchases subject to security interest**

A buyer of farm products takes subject to a security interest created by the seller if—

(1)(A) within 1 year before the sale of the farm products, the buyer has received from

<sup>1</sup> So in original. Probably should be “pursuant to subparagraph (D)”.

<sup>2</sup> So in original. Another par. (5) follows par. (11).

<sup>3</sup> So in original. Another par. (5) follows par. (4).

the secured party or the seller written notice of the security interest organized according to farm products that—

(i) is an original or reproduced copy thereof;

(ii) contains,

(I) the name and address of the secured party;

(II) the name and address of the person indebted to the secured party;

(III) the social security number, or other approved unique identifier, of the debtor or, in the case of a debtor doing business other than as an individual, the Internal Revenue Service taxpayer identification number, or other approved unique identifier, of such debtor; and

(IV) a description of the farm products subject to the security interest created by the debtor, including the amount of such products where applicable, crop year, and the name of each county or parish in which the farm products are produced or located;

(iii) must be amended in writing, within 3 months, similarly signed, authorized, or otherwise authenticated and transmitted, to reflect material changes;

(iv) will lapse on either the expiration period of the statement or the transmission of a notice signed, authorized, or otherwise authenticated by the secured party that the statement has lapsed, whichever occurs first; and

(v) contains any payment obligations imposed on the buyer by the secured party as conditions for waiver or release of the security interest; and

(B) the buyer has failed to perform the payment obligations, or

(2) in the case of a farm product produced in a State that has established a central filing system—

(A) the buyer has failed to register with the Secretary of State of such State prior to the purchase of farm products; and

(B) the secured party has filed an effective financing statement or notice that covers the farm products being sold; or

(3) in the case of a farm product produced in a State that has established a central filing system, the buyer—

(A) receives from the Secretary of State of such State written notice as provided in subsection (c)(2)(E) or (c)(2)(F) that specifies both the seller and the farm product being sold by such seller as being subject to an effective financing statement or notice; and

(B) does not secure a waiver or release of the security interest specified in such effective financing statement or notice from the secured party by performing any payment obligation or otherwise.

#### (f) Law governing “receipt”

What constitutes receipt, as used in this section, shall be determined by the law of the State in which the buyer resides.

#### (g) Commission merchants or selling agents: sales free of or subject to security interest; law governing “receipt”

(1) Except as provided in paragraph (2) and notwithstanding any other provision of Federal, State, or local law, a commission merchant or selling agent who sells, in the ordinary course of business, a farm product for others, shall not be subject to a security interest created by the seller in such farm product even though the security interest is perfected and even though the commission merchant or selling agent knows of the existence of such interest.

(2) A commission merchant or selling agent who sells a farm product for others shall be subject to a security interest created by the seller in such farm product if—

(A) within 1 year before the sale of such farm product the commission merchant or selling agent has received from the secured party or the seller written notice of the security interest; organized according to farm products, that—

(i) is an original or reproduced copy thereof;

(ii) contains,

(I) the name and address of the secured party;

(II) the name and address of the person indebted to the secured party;

(III) the social security number, or other approved unique identifier, of the debtor or, in the case of a debtor doing business other than as an individual, the Internal Revenue Service taxpayer identification number, or other approved unique identifier, of such debtor; and

(IV) a description of the farm products subject to the security interest created by the debtor, including the amount of such products, where applicable, crop year, and the name of each county or parish in which the farm products are produced or located;

(iii) must be amended in writing, within 3 months, similarly signed, authorized, or otherwise authenticated and transmitted, to reflect material changes;

(iv) will lapse on either the expiration period of the statement or the transmission of a notice signed, authorized, or otherwise authenticated by the secured party that the statement has lapsed, whichever occurs first; and

(v) contains any payment obligations imposed on the commission merchant or selling agent by the secured party as conditions for waiver or release of the security interest; and

(B) the commission merchant or selling agent has failed to perform the payment obligations;

(C) in the case of a farm product produced in a State that has established a central filing system—

(i) the commission merchant or selling agent has failed to register with the Secretary of State of such State prior to the purchase of farm products; and

(ii) the secured party has filed an effective financing statement or notice that covers the farm products being sold; or

(D) in the case of a farm product produced in a State that has established a central filing system, the commission merchant or selling agent—

(i) receives from the Secretary of State of such State written notice as provided in subsection (c)(2)(E) or (c)(2)(F) that specifies both the seller and the farm products being sold by such seller as being subject to an effective financing statement or notice; and

(ii) does not secure a waiver or release of the security interest specified in such effective financing statement or notice from the secured party by performing any payment obligation or otherwise.

(3) What constitutes receipt, as used in this section, shall be determined by the law of the State in which the buyer resides.

**(h) Security agreements; identity lists; notice of identity or accounting for proceeds; violations**

(1) A security agreement in which a person engaged in farming operations creates a security interest in a farm product may require the person to furnish to the secured party a list of the buyers, commission merchants, and selling agents to or through whom the person engaged in farming operations may sell such farm product.

(2) If a security agreement contains a provision described in paragraph (1) and such person engaged in farming operations sells the farm product collateral to a buyer or through a commission merchant or selling agent not included on such list, the person engaged in farming operations shall be subject to paragraph (3) unless the person—

(A) has notified the secured party in writing of the identity of the buyer, commission merchant, or selling agent at least 7 days prior to such sale; or

(B) has accounted to the secured party for the proceeds of such sale not later than 10 days after such sale.

(3) A person violating paragraph (2) shall be fined \$5,000 or 15 per centum of the value or benefit received for such farm product described in the security agreement, whichever is greater.

**(i) Regulations**

The Secretary of Agriculture shall prescribe regulations not later than 90 days after December 23, 1985, to aid States in the implementation and management of a central filing system.

**(j) Effective date**

This section shall become effective 12 months after December 23, 1985.

(Pub. L. 99-198, title XIII, §1324, Dec. 23, 1985, 99 Stat. 1535; Pub. L. 104-127, title VI, §662, Apr. 4, 1996, 110 Stat. 1107; Pub. L. 107-171, title X, §10604, May 13, 2002, 116 Stat. 512; Pub. L. 108-447, div. A, title VII, §776, Dec. 8, 2004, 118 Stat. 2849; Pub. L. 110-234, title XIV, §14215, May 22, 2008, 122 Stat. 1466; Pub. L. 110-246, §4(a), title XIV, §14215, June 18, 2008, 122 Stat. 1664, 2228.)

**CODIFICATION**

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food Security Act of 1985, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

**AMENDMENTS**

2008—Subsec. (c)(2)(C)(ii)(II). Pub. L. 110-246, §14215(1), inserted “, except that the numerical list containing social security or taxpayer identification numbers may be encrypted for security purposes if the Secretary of State provides a method by which an effective search of the encrypted numbers may be conducted to determine whether the farm product at issue is subject to 1 or more liens” after “such debtors”.

Subsec. (c)(2)(E). Pub. L. 110-246, §14215(2), substituted “subparagraph (C)” for “paragraph (C)”, inserted “except that—” after “an interest”, and added cls. (i) and (ii) before semicolon at end.

2004—Subsec. (c)(2)(C)(ii)(II), (4)(C)(iii). Pub. L. 108-447, §776(1)(A), (B), inserted “, or other approved unique identifier,” after “social security number” and “identification number”.

Subsec. (c)(5). Pub. L. 108-447, §776(1)(C), added par. (5) defining “approved unique identifier” at end of subsec. (c).

Subsecs. (e)(1)(A)(ii)(III), (g)(2)(A)(ii)(III). Pub. L. 108-447, §776(2), (3), inserted “, or other approved unique identifier,” after “social security number” and “identification number”.

2002—Subsec. (c)(4)(B). Pub. L. 107-171, §10604(a)(1), substituted “signed, authorized, or otherwise authenticated by the debtor,” for “signed”.

Subsec. (c)(4)(C). Pub. L. 107-171, §10604(a)(2), (6), redesignated subpar. (D) as (C) and struck out former subpar. (C) which read as follows: “other than in the case of an electronically reproduced copy of the statement, is signed by the debtor;”.

Subsec. (c)(4)(D). Pub. L. 107-171, §10604(a)(6), redesignated subpar. (E) as (D). Former subpar. (D) redesignated (C).

Subsec. (c)(4)(D)(iii). Pub. L. 107-171, §10604(a)(3)(A), inserted “and” after semicolon at end.

Subsec. (c)(4)(D)(iv). Pub. L. 107-171, §10604(a)(3)(B), substituted “applicable, and the name of each county or parish in which the farm products are produced or located;” for “applicable; and a reasonable description of the property, including county or parish in which the property is located;”.

Subsec. (c)(4)(E). Pub. L. 107-171, §10604(a)(6), redesignated subpar. (F) as (E). Former subpar. (E) redesignated (D).

Pub. L. 107-171, §10604(a)(4), substituted “signed, authorized, or otherwise authenticated by the debtor” for “signed”.

Subsec. (c)(4)(F). Pub. L. 107-171, §10604(a)(6), redesignated subpar. (G) as (F). Former subpar. (F) redesignated (E).

Subsec. (c)(4)(G). Pub. L. 107-171, §10604(a)(6), redesignated subpar. (H) as (G). Former subpar. (G) redesignated (F).

Pub. L. 107-171, §10604(a)(5), substituted “notice signed, authorized, or otherwise authenticated” for “notice signed”.

Subsec. (c)(4)(H), (I). Pub. L. 107-171, §10604(a)(6), redesignated subpar. (I) as (H). Former subpar. (H) redesignated (G).

Subsec. (e)(1)(A)(ii)(III). Pub. L. 107-171, §10604(b)(1)(A), inserted “and” after semicolon at end.

Subsec. (e)(1)(A)(ii)(IV). Pub. L. 107-171, §10604(b)(1)(B), substituted “crop year, and the name of each county or parish in which the farm products are produced or located;” for “crop year, county or parish, and a reasonable description of the property; and”.

Subsec. (e)(1)(A)(iii). Pub. L. 107-171, §10604(b)(2), substituted “similarly signed, authorized, or otherwise authenticated” for “similarly signed”.

Subsec. (e)(1)(A)(iv). Pub. L. 107-171, §10604(b)(3), substituted “notice signed, authorized, or otherwise authenticated” for “notice signed”.

Subsec. (e)(1)(A)(v). Pub. L. 107-171, §10604(b)(4), inserted “contains” before “any payment”.

Subsec. (e)(3)(A). Pub. L. 107-171, §10604(b)(5)(A), substituted “subsection” for “subparagraph”.

Subsec. (e)(3)(B). Pub. L. 107-171, §10604(b)(5)(B), substituted a period for “; and” at end.

Subsec. (g)(2)(A)(ii)(III). Pub. L. 107-171, §10604(c)(1)(A), inserted “and” after semicolon at end.

Subsec. (g)(2)(A)(ii)(IV). Pub. L. 107-171, §10604(c)(1)(B), substituted “crop year, and the name of each county or parish in which the farm products are produced or located;” for “crop year, county or parish, and a reasonable description of the property, etc.; and”.

Subsec. (g)(2)(A)(iii). Pub. L. 107-171, §10604(c)(2), substituted “similarly signed, authorized, or otherwise authenticated” for “similarly signed”.

Subsec. (g)(2)(A)(iv). Pub. L. 107-171, §10604(c)(3), substituted “notice signed, authorized, or otherwise authenticated” for “notice signed”.

Subsec. (g)(2)(A)(v). Pub. L. 107-171, §10604(c)(4), inserted “contains” before “any payment”.

1996—Subsec. (c)(4)(A). Pub. L. 104-127, §662(1), substituted “of the statement, or, in the case of a State which (under the applicable State law provisions of the Uniform Commercial Code) allows the electronic filing of financing statements without the signature of the debtor, is an electronically reproduced copy of the statement” for “thereof”.

Subsec. (c)(4)(B), (C). Pub. L. 104-127, §662(2), inserted “other than in the case of an electronically reproduced copy of the statement,” before “is”.

#### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

#### TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

### § 1632. Repealed. Pub. L. 107-171, title VII, § 7303, May 13, 2002, 116 Stat. 455

Section, Pub. L. 99-198, title XIV, §1436, Dec. 23, 1985, 99 Stat. 1558, related to market expansion research.

### § 1632a. Value-added agricultural product market development grants

#### (a) Definitions

In this section:

##### (1) Beginning farmer or rancher

The term “beginning farmer or rancher” has the meaning given the term in section 1991(a) of this title.

##### (2) Family farm

The term “family farm” has the meaning given the term in section 761.2 of title 7, Code of Federal Regulations (as in effect on December 30, 2007).

##### (3) Mid-tier value chain

The term “mid-tier value chain” means local and regional supply networks that link independent producers with businesses and cooperatives that market value-added agricultural products in a manner that—

(A) targets and strengthens the profitability and competitiveness of small and me-

dium-sized farms and ranches that are structured as a family farm; and

(B) obtains agreement from an eligible agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture that is engaged in the value chain on a marketing strategy.

#### (4) Socially disadvantaged farmer or rancher

The term “socially disadvantaged farmer or rancher” has the meaning given the term in section 2003(e) of this title.

#### (5) Value-added agricultural product

The term “value-added agricultural product” means any agricultural commodity or product that—

(A)(i) has undergone a change in physical state;

(ii) was produced in a manner that enhances the value of the agricultural commodity or product, as demonstrated through a business plan that shows the enhanced value, as determined by the Secretary;

(iii) is physically segregated in a manner that results in the enhancement of the value of the agricultural commodity or product;

(iv) is a source of farm- or ranch-based renewable energy, including E-85 fuel; or

(v) is aggregated and marketed as a locally-produced agricultural food product; and

(B) as a result of the change in physical state or the manner in which the agricultural commodity or product was produced, marketed, or segregated—

(i) the customer base for the agricultural commodity or product is expanded; and

(ii) a greater portion of the revenue derived from the marketing, processing, or physical segregation of the agricultural commodity or product is available to the producer of the commodity or product.

#### (b) Grant program

##### (1) In general

From amounts made available under paragraph (7), the Secretary shall award competitive grants—

(A) to an eligible independent producer (as determined by the Secretary) of a value-added agricultural product to assist the producer—

(i) in developing a business plan for viable marketing opportunities for the value-added agricultural product; or

(ii) in developing strategies that are intended to create marketing opportunities for the producer; and

(B) to an eligible agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture (as determined by the Secretary) to assist the entity—

(i) in developing a business plan for viable marketing opportunities in emerging markets for a value-added agricultural product; or

(ii) in developing strategies that are intended to create marketing opportunities in emerging markets for the value-added agricultural product.

**(2) Amount of grant****(A) In general**

The total amount provided under this subsection to a grant recipient shall not exceed \$500,000.

**(B) Majority-controlled producer-based business ventures**

The amount of grants provided to majority-controlled producer-based business ventures under paragraph (1)(B) for a fiscal year may not exceed 10 percent of the amount of funds that are used to make grants for the fiscal year under this subsection.

**(3) Grantee strategies**

A grantee under paragraph (1) shall use the grant—

(A) to develop a business plan or perform a feasibility study to establish a viable marketing opportunity for a value-added agricultural product; or

(B) to provide capital to establish alliances or business ventures that allow the producer of the value-added agricultural product to better compete in domestic or international markets.

**(4) Term**

A grant under this subsection shall have a term that does not exceed 3 years.

**(5) Simplified application**

The Secretary shall offer a simplified application form and process for project proposals requesting less than \$50,000.

**(6) Priority****(A) Eligible independent producers of value-added agricultural products**

In awarding grants under paragraph (1)(A), the Secretary shall give priority to—

(i) operators of small- and medium-sized farms and ranches that are structured as family farms;

(ii) beginning farmers or ranchers;

(iii) socially disadvantaged farmers or ranchers; and

(iv) veteran farmers or ranchers (as defined in section 2279(e) of this title).

**(B) Eligible agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business venture**

In awarding grants under paragraph (1)(B), the Secretary shall give priority to projects (including farmer or rancher cooperative projects) that best contribute to creating or increasing marketing opportunities for operators, farmers, and ranchers described in subparagraph (A).

**(7) Funding****(A) Mandatory funding**

On February 7, 2014, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this subsection \$63,000,000, to remain available until expended.

**(B) Discretionary funding**

There is authorized to be appropriated to carry out this subsection \$40,000,000 for each of fiscal years 2008 through 2018.

**(C) Reservation of funds for projects to benefit beginning farmers or ranchers, socially disadvantaged farmers or ranchers, and mid-tier value chains****(i) In general**

The Secretary shall reserve 10 percent of the amounts made available for each fiscal year under this paragraph to fund projects that benefit beginning farmers or ranchers or socially disadvantaged farmers or ranchers.

**(ii) Mid-tier value chains**

The Secretary shall reserve 10 percent of the amounts made available for each fiscal year under this paragraph to fund applications of eligible entities described in paragraph (1) that propose to develop mid-tier value chains.

**(iii) Unobligated amounts**

Any amounts in the reserves for a fiscal year established under clauses (i) and (ii) that are not obligated by June 30 of the fiscal year shall be available to the Secretary to make grants under this subsection to eligible entities in any State, as determined by the Secretary.

**(c) Agricultural Marketing Resource Center pilot project****(1) Establishment**

Notwithstanding the limitation on grants in subsection (b)(2), the Secretary shall not use more than 5 percent of the funds made available under subsection (b) to establish a pilot project (to be known as the “Agricultural Marketing Resource Center”) at an eligible institution described in paragraph (2) that will—

(A) develop a resource center with electronic capabilities to coordinate and provide to independent producers and processors (as determined by the Secretary) of value-added agricultural commodities and products of agricultural commodities information regarding research, business, legal, financial, or logistical assistance; and

(B) develop a strategy to establish a nationwide market information and coordination system.

**(2) Eligible institution**

To be eligible to receive funding to establish the Agricultural Marketing Resource Center, an applicant shall demonstrate to the Secretary—

(A) the capacity and technical expertise to provide the services described in paragraph (1)(A);

(B) an established plan outlining support of the applicant in the agricultural community; and

(C) the availability of resources (in cash or in kind) of definite value to sustain the Center following establishment.

**(d) Matching funds**

A recipient of funds under subsection (a) or (b) shall contribute an amount of non-Federal funds that is at least equal to the amount of Federal funds received.

**(e) Limitation**

Funds provided under this section may not be used for—

(1) planning, repair, rehabilitation, acquisition, or construction of a building or facility (including a processing facility); or

(2) the purchase, rental, or installation of fixed equipment.

(Pub. L. 106-224, title II, § 231, June 20, 2000, 114 Stat. 409; Pub. L. 107-171, title VI, § 6401(a), May 13, 2002, 116 Stat. 424; Pub. L. 110-234, title VI, § 6202, May 22, 2008, 122 Stat. 1206; Pub. L. 110-246, § 4(a), title VI, § 6202, June 18, 2008, 122 Stat. 1664, 1967; Pub. L. 113-79, title VI, § 6203, Feb. 7, 2014, 128 Stat. 857.)

#### CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Agricultural Risk Protection Act of 2000, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

Section was formerly set out as a note under section 1621 of this title.

#### AMENDMENTS

2014—Subsec. (b)(6). Pub. L. 113-79, § 6203(1), added par. (6) and struck out former par. (6). Prior to amendment, text read as follows: “In awarding grants under this subsection, the Secretary shall give priority to projects that contribute to increasing opportunities for—

“(A) beginning farmers or ranchers;

“(B) socially disadvantaged farmers or ranchers; and

“(C) operators of small- and medium-sized farms and ranches that are structured as a family farm.”

Subsec. (b)(7)(A). Pub. L. 113-79, § 6203(2)(A), substituted “On February 14, 2014,” for “On October 1, 2008,” and “\$63,000,000” for “\$15,000,000”.

Subsec. (b)(7)(B). Pub. L. 113-79, § 6203(2)(B), substituted “2018” for “2012”.

2008—Subsec. (a). Pub. L. 110-246, § 6202(a), added subsec. (a) and struck out former subsec. (a) which defined “value-added agricultural product”.

Subsec. (b)(1). Pub. L. 110-246, § 6202(b)(1), substituted “paragraph (7)” for “paragraph (4)” in introductory provisions.

Subsec. (b)(4) to (7). Pub. L. 110-246, § 6202(b)(2), added pars. (4) to (7) and struck out former par. (4). Prior to amendment, text read as follows: “Not later than 30 days after May 13, 2002, on October 1, 2002, and on each October 1 thereafter through October 1, 2006, of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this subsection \$40,000,000, to remain available until expended.”

2002—Subsecs. (a), (b). Pub. L. 107-171, § 6401(a)(2), added subsecs. (a) and (b) and struck out former subsec. (a) which related to establishment of grant program, maximum amount per grant recipient, and producer strategies. Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 107-171, § 6401(a)(1), (3), redesignated subsec. (b) as (c) and, in par. (1), substituted “subsection (b)(2)” for “subsection (a)(2)”, “5 percent” for “\$5,000,000”, and “subsection (b)” for “subsection (a)” in introductory provisions. Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 107-171, § 6401(a)(4), which directed amendment of subsec. (d) by substituting “subsections (b) and (c)” for “subsections (a) and (b)”, could not be executed because that phrase does not appear.

Pub. L. 107-171, § 6401(a)(1), redesignated subsec. (c) as (d). Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 107-171, § 6401(a)(1), redesignated subsec. (d) as (e).

#### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the

date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

#### EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title VI, § 6401(b), May 13, 2002, 116 Stat. 426, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) [amending this section] apply beginning on October 1, 2002.

“(2) FUNDING.—Funds made available under section 231(b)(4)(A)(i) [probably should be 231(b)(4)] of the Agricultural Risk Protection Act of 2000 [7 U.S.C. 1632a(b)(4)] (as amended by subsection (a)(2)) shall be made available not later than 30 days after the date of enactment of this Act [May 13, 2002].”

### § 1632b. Agriculture Innovation Center Demonstration Program

#### (a) Purpose

The purpose of this section is to direct the Secretary of Agriculture to establish a demonstration program under which agricultural producers are provided—

(1) technical assistance, consisting of engineering services, applied research, scale production, and similar services, to enable the agricultural producers to establish businesses to produce value-added agricultural commodities or products;

(2) assistance in marketing, market development, and business planning; and

(3) organizational, outreach, and development assistance to increase the viability, growth, and sustainability of businesses that produce value-added agricultural commodities or products.

#### (b) Definitions

In this section:

##### (1) Program

The term “Program” means the Agriculture Innovation Center Demonstration Program established under subsection (c).

##### (2) Secretary

The term “Secretary” means the Secretary of Agriculture.

#### (c) Establishment of Program

The Secretary shall establish a demonstration program, to be known as the “Agriculture Innovation Center Demonstration Program” under which the Secretary shall—

(1) make grants to assist eligible entities in establishing Agriculture Innovation Centers to enable agricultural producers to obtain the assistance described in subsection (a); and

(2) provide assistance to eligible entities in establishing Agriculture Innovation Centers through the research and technical services of the Department of Agriculture.

#### (d) Eligibility requirements

##### (1) In general

An entity shall be eligible for a grant and assistance described in subsection (c) to establish an Agriculture Innovation Center if—

(A) the entity—

(i) has provided services similar to the services described in subsection (a); or

(ii) demonstrates the capability of providing such services;

(B) the application of the entity for the grant and assistance includes a plan, in accordance with regulations promulgated by the Secretary, that outlines—

- (i) the support for the entity in the agricultural community;
- (ii) the technical and other expertise of the entity; and
- (iii) the goals of the entity for increasing and improving the ability of local agricultural producers to develop markets and processes for value-added agricultural commodities or products;

(C) the entity demonstrates that adequate resources (in cash or in kind) are available, or have been committed to be made available, to the entity, to increase and improve the ability of local agricultural producers to develop markets and processes for value-added agricultural commodities or products; and

(D) the Agriculture Innovation Center of the entity has a board of directors established in accordance with paragraph (2).

## **(2) Board of directors**

Each Agriculture Innovation Center of an eligible entity shall have a board of directors composed of representatives of each of the following groups:

- (A) The 2 general agricultural organizations with the greatest number of members in the State in which the eligible entity is located.
- (B) The department of agriculture, or similar State department or agency, of the State in which the eligible entity is located.
- (C) Entities representing the 4 highest grossing commodities produced in the State, determined on the basis of annual gross cash sales.

## **(e) Grants and assistance**

### **(1) In general**

Subject to subsection (i), under the Program, the Secretary shall make, on a competitive basis, annual grants to eligible entities.

### **(2) Maximum amount of grants**

A grant under paragraph (1) shall be in an amount that does not exceed the lesser of—

- (A) \$1,000,000; or
- (B) twice the dollar amount of the resources (in cash or in kind) that the eligible entity demonstrates are available, or have been committed to be made available, to the eligible entity in accordance with subsection (d)(1)(C).

### **(3) Maximum number of grants**

#### **(A) First fiscal year of Program**

In the first fiscal year of the Program, the Secretary shall make grants to not more than 5 eligible entities.

#### **(B) Second fiscal year of Program**

In the second fiscal year of the Program, the Secretary may make grants to—

- (i) the eligible entities to which grants were made under subparagraph (A); and
- (ii) not more than 10 additional eligible entities.

## **(4) State limitation**

### **(A) In general**

Subject to subparagraph (B), in the first 3 fiscal years of the Program, the Secretary shall not make a grant under the Program to more than 1 entity in any 1 State.

### **(B) Collaboration**

Nothing in subparagraph (A) precludes a recipient of a grant under the Program from collaborating with any other institution with respect to activities conducted using the grant.

## **(f) Use of funds**

An eligible entity to which a grant is made under the Program may use the grant only for the following purposes (but only to the extent that the use is not described in section 1632a(d) of this title):

- (1) Applied research.
- (2) Consulting services.
- (3) Hiring of employees, at the discretion of the board of directors of the Agriculture Innovation Center of the eligible entity.
- (4) The making of matching grants, each of which shall be in an amount not to exceed \$5,000, to agricultural producers, except that the aggregate amount of all such matching grants made by the eligible entity shall be not more than \$50,000.
- (5) Legal services.
- (6) Any other related cost, as determined by the Secretary.

## **(g) Research on effects on the agricultural sector**

### **(1) In general**

Of the amount made available under subsection (i) for each fiscal year, the Secretary shall use \$300,000 to support research at a university concerning the effects of projects for value-added agricultural commodities or products on agricultural producers and the commodity markets.

### **(2) Research elements**

Research under paragraph (1) shall systematically examine, using linked, long-term, global projections of the agricultural sector, the potential effects of projects described in subparagraph (A)<sup>1</sup> on—

- (A) demand for agricultural commodities;
- (B) market prices;
- (C) farm income; and
- (D) Federal outlays on commodity programs.

## **(h) Report to Congress**

### **(1) In general**

Not later than 3 years after the date on which the last of the first 10 grants is made under the Program, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on—

- (A) the effectiveness of the Program in improving and expanding the production of value-added agricultural commodities or products; and

<sup>1</sup> So in original. Probably should be “paragraph (1)”.

(B) the effects of the Program on the economic viability of agricultural producers.

**(2) Required elements**

The report under paragraph (1) shall—

(A) include a description of the best practices and innovations found at each of the Agriculture Innovation Centers established under the Program; and

(B) specify the number and type of activities assisted, and the type of assistance provided, under the Program.

**(i) Authorization of appropriations**

There is authorized to be appropriated to the Secretary to carry out this section \$1,000,000 for each of fiscal years 2014 through 2018.

(Pub. L. 107–171, title VI, § 6402, May 13, 2002, 116 Stat. 426; Pub. L. 110–234, title VI, § 6203, May 22, 2008, 122 Stat. 1207; Pub. L. 110–246, § 4(a), title VI, § 6203, June 18, 2008, 122 Stat. 1664, 1969; Pub. L. 113–79, title VI, § 6204, Feb. 7, 2014, 128 Stat. 857.)

**CODIFICATION**

Pub. L. 110–234 and Pub. L. 110–246 made identical amendments to this section. The amendments by Pub. L. 110–234 were repealed by section 4(a) of Pub. L. 110–246.

Section was enacted as part of the Farm Security and Rural Investment Act of 2002, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

Section was formerly set out as a note under section 1621 of this title.

**AMENDMENTS**

2014—Subsec. (i). Pub. L. 113–79 substituted “\$1,000,000 for each of fiscal years 2014 through 2018” for “\$6,000,000 for each of fiscal years 2008 through 2012”.

2008—Subsec. (i). Pub. L. 110–246, § 6203, added subsec. (i) and struck out former subsec. (i). Prior to amendment, text read as follows: “Of the amount made available under section 231(a)(1) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note; Public Law 106–224) for each fiscal year, the Secretary shall use to carry out this section—

“(1) not less than \$3,000,000 for fiscal year 2002; and

“(2) not less than \$6,000,000 for each of fiscal years 2003 and 2004.”

**EFFECTIVE DATE OF 2008 AMENDMENT**

Amendment of this section and repeal of Pub. L. 110–234 by Pub. L. 110–246 effective May 22, 2008, the date of enactment of Pub. L. 110–234, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

**§ 1632c. Acer access and development program**

**(a) Grants authorized**

The Secretary of Agriculture may make competitive grants to States, tribal governments, and research institutions to support the efforts of such States, tribal governments, and research institutions to promote the domestic maple syrup industry through the following activities:

(1) Promotion of research and education related to maple syrup production.

(2) Promotion of natural resource sustainability in the maple syrup industry.

(3) Market promotion for maple syrup and maple-sap products.

(4) Encouragement of owners and operators of privately held land containing species of trees in the genus *Acer*—

(A) to initiate or expand maple-sugaring activities on the land; or

(B) to voluntarily make the land available, including by lease or other means, for access by the public for maple-sugaring activities.

**(b) Application**

In submitting an application for a competitive grant under this section, a State, tribal government, or research institution shall include—

(1) a description of the activities to be supported using the grant funds;

(2) a description of the benefits that the State, tribal government, or research institution intends to achieve as a result of engaging in such activities; and

(3) an estimate of the increase in maple-sugaring activities or maple syrup production that the State, tribal government, or research institution anticipates will occur as a result of engaging in such activities.

**(c) Rule of construction**

Nothing in this section shall be construed so as to preempt a State or tribal government law, including a State or tribal government liability law.

**(d) Definition of maple-sugaring**

In this section, the term “maple-sugaring” means the collection of sap from any species of tree in the genus *Acer* for the purpose of boiling to produce food.

**(e) Regulations**

The Secretary of Agriculture shall promulgate such regulations as are necessary to carry out this section.

**(f) Authorization of appropriations**

There are authorized to be appropriated to carry out this section \$20,000,000 for each of fiscal years 2014 through 2018.

(Pub. L. 113–79, title XII, § 12306, Feb. 7, 2014, 128 Stat. 988.)

**CODIFICATION**

Section was enacted as part of the Agricultural Act of 2014, and not as part of the Agricultural Marketing Act of 1946 which comprises this chapter.

**SUBCHAPTER II—LIVESTOCK MANDATORY REPORTING**

**PART A—PURPOSE; DEFINITIONS**

**§ 1635. Purpose**

The purpose of this subchapter is to establish a program of information regarding the marketing of cattle, swine, lambs, and products of such livestock that—

(1) provides information that can be readily understood by producers, packers, and other market participants, including information with respect to the pricing, contracting for purchase, and supply and demand conditions for livestock, livestock production, and livestock products;

(2) improves the price and supply reporting services of the Department of Agriculture; and

(3) encourages competition in the marketplace for livestock and livestock products.

(Aug. 14, 1946, ch. 966, title II, § 211, as added Pub. L. 106–78, title IX, § 911(2), Oct. 22, 1999, 113 Stat. 1188.)